



**FOREIGN  
BROADCAST  
INFORMATION  
SERVICE**

# ***Daily Report***

---

## **China**

**FBIS-CHI-90-010  
Tuesday  
16 January 1990**

# Daily Report

## China

FBIS-CHI-90-010

### CONTENTS

16 January 1990

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

|  |   |
|--|---|
| Delegate Supports 'Just' Cambodia Solution [XINHUA] .....                      | 1 |
| International Banking Conference To Be Held .....                              | 1 |
| Slated for 15-19 Jan [XINHUA] .....  | 1 |
| Opens in Beijing [XINHUA] .....  | 1 |
| Commentary on Attempt To 'Legalize' Interference [Beijing International] ..... | 1 |
| 'Persecution' of UN Staff 'Absurd' [XINHUA] .....                              | 2 |
| RENMIN RIBAO Views Western 'Human Rights' [12 Jan] .....                       | 3 |
| Swedish, Hong Kong Firms Donate Phone Network [Beijing Radio] .....            | 5 |
| Article Attacks Taiwan, Hong Kong Papers [RENMIN RIBAO 13 Jan] .....           | 6 |

##### Soviet Union

|   |   |
|---|---|
| Li Peng's Plans to Visit Moscow Kept 'Quiet'      |   |
| [Hong Kong SOUTH CHINA MORNING POST 16 Jan] ..... | 6 |

##### Northeast Asia

|   |   |
|---|---|
| State Councillor Zou Jiahua Heads Group to Japan .....            | 7 |
| Leaves Beijing [XINHUA] .....                                     | 7 |
| Arrives in Osaka [XINHUA] .....                                   | 7 |
| Japanese Christians To Be Deported From Wuhan [Tokyo KYODO] ..... | 8 |
| NPC's Lei Jieqiong Meets Japanese Youth Group [XINHUA] .....      | 8 |

##### Near East & South Asia

|   |   |
|---|---|
| Chen Junsheng-Led Delegation Departs for Nepal [XINHUA] ..... | 8 |
| Iran To Participate in Asian Games [XINHUA] .....             | 8 |
| Moroccan Party Praises State Socialist System [XINHUA] .....  | 8 |
| New Sri Lankan Ambassador Presents Credentials [XINHUA] ..... | 9 |

##### West Europe

|   |   |
|---|---|
| Greek Parliament Speaker on Bilateral Ties [XINHUA] .....       | 9 |
| Chirac Calls State 'Axis' of French Asian Policy [XINHUA] ..... | 9 |

#### NATIONAL AFFAIRS

##### Political & Social

|  |    |
|--|----|
| Further on Reactions to Lifting of Martial Law .....         | 10 |
| Response From West Examined [WEN WEI PO 15 Jan] .....        | 10 |
| Beijing Residents Hail Decision [XINHUA] .....               | 10 |
| Residents Voice Support [Beijing International] .....        | 12 |
| Move Called 'Cosmetic'                                       |    |
| [Hong Kong SOUTH CHINA SUNDAY MORNING POST 14 Jan] .....     | 13 |
| Foreign Businessmen Approve [XINHUA] .....                   | 14 |
| Jiang Zemin Speaks at United Front Work Forum [XINHUA] ..... | 15 |

|  |    |
|--|----|
| Conference of Justice Directors Held in Beijing .....  | 15 |
| Readjustment Stressed [XINHUA] .....   | 15 |
| Li Peng Speaks [XINHUA] .....  | 15 |
| Song Ping Speaks on Party Organization Work [XINHUA] .....   | 16 |
| Supervision Minister Views Handling of Corruption<br>[LIAOWANG OVERSEAS EDITION 1 Jan] .....           | 17 |
| Wan Li Attends Beijing Photo Exhibition [Beijing TV] .....   | 18 |
| Amnesty for June 4 Detainees Expected [HONGKONG STANDARD 13 Jan] .....                                 | 19 |
| Article Views Student Leader's Life in Prison [Hong Kong MING PAO 14 Jan] .....                        | 19 |
| Article Examines Possible Leadership Reshuffle<br>[Hong Kong SOUTH CHINA MORNING POST 13 Jan] .....    | 20 |
| Yan Mingfu 'Appears' To Lose All Posts<br>[Hong Kong SOUTH CHINA MORNING POST 15 Jan] .....            | 20 |
| Deputy Chief Promoted at Organization Department<br>[Hong Kong SOUTH CHINA MORNING POST 8 Jan] .....   | 21 |
| Conservatives Appointed to Social Sciences Academy<br>[Hong Kong SOUTH CHINA MORNING POST 9 Jan] ..... | 21 |
| Editorial Positions 'Quietly Reshuffled' [HONGKONG STANDARD 13 Jan] .....                              | 22 |
| Periodical Views 'Hearsay' on Private Businesses [XINHUA] .....  | 23 |
| Senior Officials Urge Eradication of Illiteracy [XINHUA] .....   | 24 |
| Seminar on Cultural Work Ends 10 Jan [XINHUA] .....  | 24 |
| New Party Secretaries Chosen in Ningxia, Jiangsu [XINHUA] .....  | 25 |
| Statistics Show Country Has Lowest Crime Rate [XINHUA] .....   | 25 |

## Military

|  |    |
|--|----|
| Arms Production To Decline 45 Percent [XINHUA] .....               | 25 |
| Pilots Develop All-Weather Capability [XINHUA] .....               | 26 |
| Air Force Strengthens Study of Basic Marxism [Beijing Radio] ..... | 26 |

## Economic & Agricultural

|   |    |
|---|----|
| State Council Conference on Economic Reform ..... | 26 |
| Reaffirms Reform Principles [XINHUA] .....        | 26 |
| Readjustment Objectives Stated [XINHUA] .....     | 28 |
| Decision on Improving Economy [XINHUA] .....      | 29 |
| Control of Total Social Demand [XINHUA] .....     | 29 |
| Strengthening of Party Guidance [XINHUA] .....    | 30 |
| Freer Rein for Enterprises [XINHUA] .....         | 30 |
| Raw Materials Output Up [XINHUA] .....            | 31 |

## REGIONAL AFFAIRS

### East Region

|  |    |
|--|----|
| Jiangsu Holds Eighth Provincial CPC Congress .....               | 32 |
| Leaders Attend [Nanjing Radio] .....                             | 32 |
| Elects Discipline Inspection Commission [Nanjing Radio] .....    | 32 |
| Shanghai Holds Kuomintang 'Agents' [Shanghai Radio] .....        | 32 |
| Shanghai Develops Stock Market [WEN WEI PO 16 Jan] .....         | 33 |
| Shanghai Reports Six Vices Prosecutions [Shanghai Radio] .....   | 33 |
| Zhejiang Secretary Greets Soldiers [ZHEJIANG RIBAO 18 Dec] ..... | 34 |
| Zhejiang Reports 1989 Trade Volume [XINHUA] .....                | 34 |

### Central-South Region

|   |    |
|---|----|
| Guangdong Tightens Internal Security Control [Hong Kong MING PAO 15 Jan] .....    | 34 |
| Guangdong Opens Campaign To Purge Press Circles [Hong Kong MING PAO 13 Jan] ..... | 35 |
| Shenkou Reform Model in Guangdong Criticized [Hong Kong MING PAO 13 Jan] .....    | 36 |
| Guangdong Mayor on Shenzhen Urban Construction [WEN WEI PO 16 Jan] .....          | 37 |
| Guangxi Government Chairman Wei Chunshu Replaced [WEN WEI PO 14 Jan] .....        | 37 |

### Southwest Region

|  |    |
|--|----|
| Sichuan Governor on Increasing Grain Production [XINHUA] ..... | 38 |
| Yunnan CPC Chief Stresses Agriculture [Kunming Radio] .....    | 38 |

### North Region

|   |    |
|---|----|
| Beijing Provides More Subsidies to Citizens [Hong Kong MING PAO 16 Jan] ..... | 39 |
| Beijing Municipality Ready To Repay Debt [XINHUA] .....                       | 39 |

### Northeast Region

|  |    |
|--|----|
| Sun Weiben at Heilongjiang Trade Union Plenum [Harbin Radio] .....     | 40 |
| Heilongjiang Secretary Hears Planning Report [Harbin Radio] .....      | 40 |
| Heilongjiang's Sun Weibei Gives Lecture [Harbin Radio] .....           | 40 |
| Heilongjiang Holds Planning, Financial Conference [Harbin Radio] ..... | 40 |
| He Zhukang at Jilin Forum on Economic Reform [Changchun Radio] .....   | 41 |
| Jilin Procuratorate To Combat Graft [Changchun Radio] .....            | 42 |
| Quan Shuren Visits Liaoning's Fushun County [Shenyang Radio] .....     | 42 |
| Man Arrested in Liaoning for 'Slandering' Party [AFP] .....            | 42 |

### Northwest Region

|   |    |
|---|----|
| Gansu Secretary Addresses Journalism Forum [Lanzhou Radio] .....    | 42 |
| Gansu Secretary Inspects Construction Company [Lanzhou Radio] ..... | 43 |
| Qinghai Secretary Attends CPC Symposium [Xining Radio] .....        | 44 |
| Shaanxi CPC Secretary Attends Singing Contest [Xian Radio] .....    | 44 |

## PRC MEDIA ON TAIWAN AFFAIRS

|   |    |
|---|----|
| Taiwan Smugglers Sentenced in Guangzhou [XINHUA] .....    | 45 |
| KMT Agent's Arrest in Yunnan Reported [XINHUA] .....      | 45 |
| Fujian's Yiamen Develops Visitors' Tourism [XINHUA] ..... | 45 |

## TAIWAN

|  |    |
|--|----|
| Reaction to PRC Lifting of Martial Law .....                                 | 46 |
| Move Called 'Insignificant' [HONGKONG STANDARD 11 Jan] .....                 | 46 |
| Commentary Cautions U.S. [Taipei International] .....                        | 46 |
| Commentary Views UK Official Visits to Mainland [Taipei International] ..... | 46 |
| Wan Runnan Leaves for Paris [Taipei Radio] .....                             | 47 |
| Commentary Views PRC Attack on Democracy Front [Taipei International] .....  | 47 |
| Further on French Rescindment of Frigate Sale .....                          | 48 |
| Ministry Makes Inquiry [Taipei International] .....                          | 48 |
| No Formal Notice Received [Taipei International] .....                       | 48 |
| Cambodia Issue May Be Involved [Taipei Radio] .....                          | 48 |
| Li Huan, U.S. Congressman Bosco Discuss Ties [CNA] .....                     | 48 |
| Panamanian President Affirms 'China Policy' [CNA] .....                      | 49 |
| Cuba Shows Interest in Direct Trade Talks [Taipei International] .....       | 49 |
| Li Huan Sees Lee Kuan Yew Off [Taipei Radio] .....                           | 49 |
| Haitian President Tours Industries in South [CNA] .....                      | 49 |

## HONG KONG & MACAO

### Hong Kong

|   |    |
|---|----|
| Further Reportage on Governor's Visit to PRC .....                      | 50 |
| Li Peng Disavows Financial Help [SOUTH CHINA MORNING POST 16 Jan] ..... | 50 |
| Governor Ends Visit [SOUTH CHINA MORNING POST 13 Jan] .....             | 50 |
| Questions Unresolved [HONGKONG STANDARD 13 Jan] .....                   | 51 |



|   |    |
|---|----|
| UK Secretary Hurd Visits Hong Kong, Beijing .....                                       | 52 |
| Commentary Previews Visit [ <i>SOUTH CHINA MORNING POST 13 Jan</i> ] .....              | 52 |
| Editorial Considers Local Opinion [ <i>HONGKONG STANDARD 13 Jan</i> ] .....             | 54 |
| Foreign Secretary Arrives [ <i>XINHUA</i> ] .....                                       | 55 |
| Editorial Praises Strong Remarks [ <i>SOUTH CHINA SUNDAY MORNING POST 14 Jan</i> ] .... | 55 |
| Commentary Urges British Resolve [ <i>HONGKONG SUNDAY STANDARD 14 Jan</i> ] .....       | 56 |
| Hurd Meets Governor, Envoy [ <i>SOUTH CHINA MORNING POST 15 Jan</i> ] .....             | 56 |
| Hurd Views Developments [ <i>HONGKONG STANDARD 16 Jan</i> ] .....                       | 58 |
| PRC Makes 'Concessions' [ <i>SOUTH CHINA MORNING POST 16 Jan</i> ] .....                | 59 |
| Li Peng Meets Industrial, Commercial Group [ <i>XINHUA</i> ] .....                      | 60 |
| XINHUA Profiles New Hong Kong Director .....  | 60 |

## General

### Delegate Supports 'Just' Cambodia Solution

OW1501161690 Beijing XINHUA in English  
1552 GMT 15 Jan 90

[Text] Paris, January 15 (XINHUA)—French Foreign Minister Roland Dumas said today during a meeting of the U.N. Security Council's five permanent members that his government hails the Australian proposal to settle the Kampuchea issue peacefully under the supervision of the United Nations.

Dumas also said France hopes an international conference on the future of Kampuchea will be held to focus on an Australian proposal that the United Nations be given temporary "trusteeship" over Kampuchea and organize free elections.

Australian Foreign Minister Gareth Evans advanced the proposal last November to end the stalemate in the Paris peace talks on Kampuchea with a plan to place the embattled South East Asian country under U.N. trusteeship.

Zhang Qing, a Chinese delegate to the meeting and deputy director for Asian Affairs at the Chinese Foreign Ministry, stressed China's own attitude toward Kampuchea, but said China will support any efforts aimed at a just, reasonable and complete solution to the issue.

Those present at the two-day meeting were Chinese Assistant Foreign Minister Xu Dunxin, U.S. Assistant Secretary of State Richard Solomon, Soviet deputy foreign minister Nikolay Rogachov, David Gillmore, a British deputy undersecretary at the Foreign Office, and Claude Martin, the director for Asian Affairs at the French Foreign Ministry.

### International Banking Conference To Be Held

Slated for 15-19 Jan

OW1301123790 Beijing XINHUA in English  
1206 GMT 13 Jan 90

[Text] Beijing, January 13 (XINHUA)—An international central banking conference is to be held in Beijing between January 15 and 19.

A number of noted international monetary and banking experts will attend the conference and they include Richard Erb, deputy managing director of the International Monetary Fund; Paul Volcker, former chairman of the U.S. Board of Governors of the Federal Reserve system; Miguel Mancera, governor of the Central Bank of Mexico; Jean Godeaux, former governor of the Central Bank of Belgium; and Roy D. Morey, resident representative of the United Nations Development Programme in Beijing.

Wang Bingqian, Chinese state councillor and minister of Finance, and Li Guixian, state councillor and governor

of the People's Bank of China, met with them today on separate occasions and briefed them on the role of China's financial and banking institutions in China's current economic readjustment.

### Opens in Beijing

OW1501132190 Beijing XINHUA in English  
1223 GMT 15 Jan 90

[Text] Beijing, January 15 (XINHUA)—An international central banking conference opened here today.

An official of the People's Bank of China, China's central bank, said that the conference is aimed at facilitating China's economic and financial reform and at promoting the development of Sino-foreign monetary cooperation.

The four-day conference is jointly sponsored by the People's Bank of China, the International Monetary Fund (IMF) and the United Nations Development Programme (UNDP).

Li Guixian, governor of the People's Bank of China; IMF Deputy Managing Director Richard Erb; UNDP resident representative in Beijing Roy D. Morey; Paul A. Volcker, former chairman of the Board of Governors of the U.S. Federal Reserve system; Miguel Mancera, governor of the Central Bank of Mexico; and Jean Godeaux, former governor of the Central Bank of Belgium; delivered speeches at the opening session, elaborating on the international economic and financial situation, on how to combat inflation, the relations between monetary policy and credit policy and other issues.

### Commentary on Attempt To 'Legalize' Interference

OW1501113190 Beijing International Service  
in Mandarin 0900 GMT 14 Jan 90

[Station commentary: "Oppose Interference in Other's Internal Affairs on the Pretext of Human Rights"]

[Text] The 44th U.N. General Assembly session has adjourned. The discussion on human rights during the session was characterized by a struggle between interference and noninterference in other's internal affairs, and between violating and upholding the rules of international relations. On the one hand, some Western nations became increasingly enthusiastic about peddling their views on human rights and their values, and about interfering in the internal affairs of Third World countries on the pretext of human rights. On the other hand, the delegates of many Third World countries took a clear-cut stand in expounding their position and views on human rights and forcefully refuted the erroneous views publicized by Western nations during debates.

The delegates of some Western nations said openly that human rights are absolute and should not be interpreted differently. However, anyone with some common sense realizes that different political, economic, social, and legal systems coexist in this world, and countries differ as

regards historical background, customs and habits, cultural traditions, and ideology. Thus, the peoples of different countries hold different views on human rights. This is a very natural, objective law, and no one can enforce uniformity. Besides, the idea and contents of human rights are not invariable, but are constantly developed and enriched with the development of the society.

In the more than 4 decades since the end of the Second World War, the United Nations has formulated several dozen human rights declarations and conventions. As a result, the contents of human rights are no longer limited to purely individual rights put forward during the early stage of bourgeois revolution. These rights now also include economic, social, and cultural rights, as well as such collective rights as the right to development and to national self-determination. The great number of developing countries, having suffered aggression and oppression by imperialism, hegemonism, and colonialism for a long time, are well aware that human rights are out of the question without national rights. The majority of U.N. members—the developing countries—share this basic view of human rights.

During the recent U.N. General Assembly session, some delegates of Western nations undisguisedly put forward such absurd views that human rights have no national boundaries, that the concern about human rights does not represent an interference in other's internal affairs, and that the principle of noninterference is not applicable to the human rights issue. In fact, they were only trying to defend their interference in other's internal affairs, and in this effort they seriously distorted the U.N. Charter and the norms of international law. The U.N. Charter and other relevant documents point out that no country should deprive in any way other countries of their rights to choose and exercise their political, economic, social, and cultural systems, nor interfere directly or indirectly in other countries' internal and foreign affairs. The principle of noninterference in other's internal affairs, as a basic norm of international law, is applicable to all aspects of international relations, and no one should make an exception at will.

The view that the principle of noninterference in other's internal affairs is not applicable to the human rights issue also is absurd because it negates in a fundamental way the principle of state sovereignty. We believe that basic human rights are out of the question without state sovereignty. Historical facts prove that human rights must be exercised through domestic laws, and human rights should be protected primarily by the government and other relevant authorities of a sovereign state, not by any foreign forces.

There are numerous instances in the present world of large-scale human rights violations, such as racism, colonialism, hegemonism, racial discrimination, apartheid, foreign aggression, occupation, and interference. If such violations are not prevented, the universal exercise of human rights and basic freedom will be an empty word.

As early as the 32d U.N. General Assembly session in 1977, the United Nations unequivocally pointed out in its Resolutions No 32-130 that, when handling human rights issues, the United Nations should give high priority to trying to correct the aforesaid violations. However, certain Western countries have not only displayed extreme indifference toward the U.N. resolution with respect to large-scale human rights violations, but these countries even have shielded and winked at these violations. This shows clearly that their interest in human rights is politically motivated and not for the purpose of promoting human rights and basic freedom among the people. This is why they are so interested in the human rights issue.

During the recent U.N. General Assembly session, some Western countries pointed their spearhead of attack at China because the situation in China since our government quelled the early June counterrevolutionary rebellion, in which foreign hostile forces were deeply involved, has not changed as they expected. Out of their disappointment with that situation, they brought up the so-called issue of China's human rights at the U.N. session in an attempt to legalize their interference in China's internal affairs. However, their attempt failed. The results of the struggle clearly show that the attempt by a few Western countries to control the United Nations over the human rights issue so as to serve their political purposes has become increasingly ineffective. Justice is on the side of the vast number of Third World countries and China.

#### 'Persecution' of UN Staff 'Absurd'

OW1301011790 Beijing XINHUA in English  
0053 GMT 13 Jan 90

[Text] United Nations, January 12 (XINHUA)—It is merely a routine procedure for China to request its staff at the United Nations to go home at the end of their contracts, an official at the Chinese U.N. Mission in New York said today.

In an interview with XINHUA, Yuan Shibing, a spokesman of the Chinese Mission to the United Nations, described as "absurd" the allegation of nine Chinese U.N. staff that they would face political persecution if they returned to China at the expiration of their contracts.

The nine Chinese—five in New York, two in Geneva and two in Vienna—refuse to return to China and are seeking permanent contracts with the United Nations, citing "political reasons."

Yuan pointed out that the contracts for the nine Chinese staff have already expired and that the United Nations has already signed new contracts with the people who are coming to replace them.

"The rotation is a normal, years-long practice," the spokesman declared.



Meanwhile, Francois Giuliani, the U.N. secretary general's spokesman, has also said, "These contracts cannot be renewed unless their government asks us to do so."

Referring to the charge that the Chinese Government is forcing the staff to go home, Yuan said such a charge is "groundless" because while some of the Chinese U.N. staff go back to China at the end of their contracts, others choose to stay and study in the United States. "The Chinese Government has never interfered in their decisions."

In fact, he noted, some of the nine staff had decided to seek education in the United States at the expiration of their contracts. Therefore, it is baseless to say they face political persecution.

Referring to the fact that Lowell L. Flanders, president of the U.N. Staff Committee, petitioned on behalf of the nine Chinese staff to the U.N. secretary general to grant their contracts, Yuan said, "Such actions are not for safeguarding the interest of the U.N. staff, but represent political activity against a U.N. member state and thus run counter to the aims of the staff committee."

The spokesman asked the U.N. Secretariat to stop such illegitimate actions on the part of the U.N. Staff Committee so as to maintain the reputation of the United Nations.

#### RENMIN RIBAO Views Western 'Human Rights'

HK1201142390 Beijing RENMIN RIBAO in Chinese  
12 Jan 90 p 7

[Article by Guo Jisi (6753 3444 1835): "Oppose Interference in Internal Affairs Under the Pretext of the Human Rights Issue—Comments on the Discussion of the Human Rights Issue at the 1989 UN General Assembly"]

[Text] The 44th UN General Assembly session has ended. A struggle between interference and non-interference and between violation and protection of regulations on international relations ran through this General Assembly session. On the one hand, some Western countries made great efforts to peddle their concepts of human rights and value and to interfere in Third World countries' internal affairs under the pretext of the human rights issue. When the general debate at the UN General Assembly started, some Western countries made all-out efforts to advocate Western freedom and democracy, and asserted that they could see the "outline of a new free world in the east, in the west, in the south, in the north, and on every continent." They openly claimed that there was no state boundary for protecting human rights, and went so far as to assert that there was an urgent need to appoint a senior UN human rights commissioner to set up an international court on human rights. They attacked some socialist countries and many Third World countries with either insidious or abusive language. In particular, on the questions of free elections,

freedom of speech, and freedom of gathering, they peddled their proposals and formulas in an attempt to force other UN member nations to follow their intentions. On the other hand, Third World countries expressed a strong opposition to and carried out firm resistance against these Western countries' attempts. During the debate many Third World countries' representatives expressed their clear-cut stand on the human rights issue and strongly refuted these Western countries' wrong views. Some of them pointed out: "Human rights should be interpreted in an all-round and thorough sense; human rights include economic, social, and cultural rights, first of all the right to develop. Some representatives said: "A starving man does not have freedom. A country facing an economic danger and a heavy debt burden, a country whose trade is endangered and meager resources are brazenly plundered, a country that is not living a normal life, in short, a country that is in such a poor position does not have freedom." Other representatives proposed: "Eliminating material poverty, social instability, and ignorance is a precondition for promoting human rights. Protecting human rights should proceed from the establishment of a just international economic order."

After an intense struggle at the recent UN General Assembly session, some Western countries' attempts failed.

#### I. Human Rights Are Not Patent Products of Western Countries

For long there have been different interpretations on the concept of human rights, and there has been controversy over the UN methods to examine the human rights issue. Some Western countries have for long thought that they are the guardians of human rights and have tried to make human rights their patent products and to force their concept of human rights on others. Some Western countries' representatives blatantly asserted: "Human rights are absolute. It is impermissible to provide different interpretations on human rights." In other words, their interpretation on human rights enjoys absolute authority. But people with common knowledge understand that in this world of ours, there are different political, economic, social, and legal systems; and different countries have different historical backgrounds, social habits, cultural traditions, and ideologies. People in different countries have different views on human rights. This is natural, and no one can unify these differences. Moreover, the concept of human rights has not remained unchanged but has constantly developed and become rich in content following social development. Over the last 40 odd years since the end of World War II, the United Nations has formulated dozens of declarations and treaties on human rights, thus allowing human rights to go beyond personal rights proposed during the early period of the bourgeois revolution. Many Third World countries have endured much suffering from the long-term aggression and oppression by imperialists, hegemonists, and colonialists. They have profoundly realized that without national and state

rights, there can be no human rights. This is the basic concept of human rights of the developing countries that account for the majority of the UN member nations.

This concept of human rights finds expression in the "African Charter on Human and People's Rights" and other regions' documents on human rights. Obviously, different countries have different interpretations of human rights. Only when these different interpretations are recognized and respected, will international cooperation be promoted and human rights and basic freedom be protected. If different interpretations of human rights are attacked and the Western concept of human rights is forced on others for certain political purposes, UN activities on human rights are bound to go astray and international relations will be poisoned.

## **II. The Principle of Noninterference in Each Other's Internal Affairs Also Applies to the Human Rights Issue**

During a debate at the recent UN General Assembly session, some Western countries' representatives wantonly asserted: "Some people said: Concern over human rights is improper interference in others' internal affairs. This is unacceptable." Other Western representatives even went so far as to claim that "there is no state boundary for human rights," "showing concern for human rights is not interfering in others' internal affairs," and the "principle of noninterference does not apply to the human rights issue."

Just pay a little attention to their remarks and you will find that the initiators of these fallacies were "safeguarding" their rights to interfere in others' internal affairs under the pretext of the human rights issue. Disregarding others' boundaries naturally means expanding their own boundaries. What they chant is human rights, but what they practice is hegemonism. They wantonly claimed: "No country can declare that promoting and protecting human rights is interfering in others' internal affairs." This is seriously distorting the UN Charter and international norms. Item 7 of Article 2 in the UN Charter provides: "This charter does not permit authorizing the United Nations to interfere in any affairs within other countries' jurisdiction." The "Declaration on Noninterference in Others' Internal Affairs and on the Protection of Their Independence and Sovereignty," which was approved by the United Nations in 1965; and the "Declaration on Establishing Friendly Relations and Cooperation Between Countries According to the UN Charter," which was approved in 1970, provide detailed stipulations on the above principles. According to these two declarations, no country is allowed to forbid other countries from exercising their political, economic, social, and cultural rights or, under whatever pretext, to directly or indirectly interfere in others' internal and diplomatic affairs. The principle of noninterference applies to all fields of international relations. No country is entitled to make an exception of any of these fields. If the international community allows someone to distort or discard these principles, this could set a harmful

precedent and provide a theoretical basis and pretext for a big country to interfere in other countries' internal affairs, to bully them, and to practice power politics.

It is ridiculous to think that the principle of noninterference does not apply to the human rights issue, because this idea fundamentally denies state sovereignty. In our opinion, without state sovereignty there can be no basic human rights. History and practice have proved that human rights are practiced by means of domestic law; the responsibility for protecting human rights falls on the relevant sovereign state and not on any foreign country. The concept of human rights is not absolute or abstract, nor is it an empty slogan. Rights are enjoyed under certain conditions, namely, under the protection and restrictions by law. This is an internationally recognized principle. In light of its specific conditions, a country enters human rights in its own law, thus putting human rights under legal protection. It also provides legislative, judicial, and administrative stipulations on enjoying and restricting human rights. This is something that falls within the jurisdiction of a sovereign country. Because different countries have different problems to tackle, their people also enjoy different standards of rights. For example, the main task of a country that has just liberated itself from the aggression and occupation of colonialists and foreign powers is to guard against hostile foreign forces' subversive activities, to safeguard its social stability, and to free its people from poverty and starvation. A developing country with an excessive population, naturally, takes family planning as a policy of primary importance. If different legal provisions of other countries on human rights are not taken as the standards to judge their human rights, or if the Western formulas are forced on others in an attempt to violate others' sovereignty or to protect human rights on behalf of others, this is interfering in others' internal affairs and practicing power politics.

## **III. The Correct Methods of the United Nations in Carrying Out Activities on Human Rights Broke No Distortion**

In the present-day world people have witnessed lots of racism, colonialism, hegemonism, racial discrimination, racial segregation, as well as foreign aggression, occupation, and interference, which all violate human rights. Apart from trampling on the people's self-determination, human rights, and basic freedom, these have also seriously endangered world peace and tranquility. If they are not eliminated, the realization of human rights and basic freedom will be empty talk. During the 32d General Assembly session in 1977, the United Nations explicitly pointed out in its resolution No. 32/130: "In systematically handling the human rights issue, the international community should give priority to the settlement of large-scale violations of human rights, which find expression in racial segregation, racial discrimination, and colonialism; foreign rule, occupation, and aggression; threatening state sovereignty, unity, and territorial integrity; and refusal to recognize national self-determination; and other countries' sovereignty over their wealth and



natural resources." Undoubtedly, this resolution confirms that the task of primary importance for the United Nations is to promote and protect human rights. However, some Western countries have remained indifferent toward the large-scale violations of human rights listed by this UN resolution. They like to order Third World countries on the human rights issue but refuse to recognize that the right of development is a part of human rights. They asserted that they would follow with interest the human rights issue in every corner of the world, but when the majority UN member countries unanimously passed a resolution on condemning South African apartheid and Israel's brutal violation of human rights, they cast dissenting votes. They frequently impose sanctions and blockades on other countries when what happens in these countries is not to their liking, but when many Third World countries demanded a compulsory sanction on South Africa for obstinately practicing apartheid, they objected and vetoed. This fully suggests that their interest in human rights does not originate from their genuine concern for the people's rights and basic freedom but from their political motives. Under the pretext of human rights, they work out their own concept of value in an attempt to impose pressure on other countries. A Chinese representative solemnly pointed out at the recent General Assembly session: "When talking about human rights, some Western countries always try to appear in a humanitarianist image and persuade others to practice nonpoliticization. But as a matter of fact, their politicization exceeds other countries'. Their political aim is clear, namely, they want all socialist countries and developing countries to pursue their concepts of human rights and value. They impose pressure on whoever refuses to follow, and examine his human rights issue." These remarks have laid bare the hypocritical nature of some Western countries on the human rights issue and their ulterior motives in taking so much interest in human rights.

During the recent General Assembly session, some Western countries also directed the spearhead against China, because the situation in China did not develop according to their wish after the Chinese Government took resolute measures to quell the counterrevolutionary rebellion in Beijing in early June. No change took place as they had expected. Much disappointed, they imposed sanctions and pressure on China and racked their brains to put what they called "China's human rights issue" in the United Nations in an attempt to "legalize" their interference in China's internal affairs. Their attempt, totally ignoring international norms on relations, met with a strong opposition from China and other justice-holding countries and thus thoroughly failed. The outcome of this struggle explicitly suggests that in the present-day world, it has become increasingly difficult for a small number of Western countries to arbitrarily manipulate the United Nations for their political purposes on the human rights issue. Justice is on the side of Third World countries and China, and we understand what human rights are and know how to protect and

promote human rights. The 100-year long Chinese history, from the opium war, the Eight-Power Allied Forces, to the 8 years of resistance against Japanese aggression, has enabled the Chinese people to profoundly understand that without sovereignty there can be no human rights. The Chinese Government has always paid attention to protecting and promoting all kinds of civil rights. The provisions of the Chinese Constitution on civil rights are our interpretations on human rights. The Chinese Constitution and law protect the rights of the people of all nationalities, including individual civil rights. This is a concrete expression of our concern for human rights. China is the largest developing country in the world, a country with 1.1 billion people but limited farmlands. In China, providing adequate food and clothing, medical and health protection, as well as education for the people is more important than engaging in empty talk about human rights. Our task of primary importance is to unremittently carry out reform and opening up policy, to develop the productive forces, to improve the people's standard of living, and strengthen the formation of the socialist legal system. Only this accords with the fundamental interests of the Chinese people and protects and promotes human rights. For this reason, we require a peaceful international environment and a stable domestic situation as well, a political situation of stability and unity. Without this situation, all will come to naught. We do not want to force our ideas on others, nor do we allow others to force their political system and concept of value on us under the pretext of human rights, still less do we permit them to interfere in our internal affairs. We will, as in the past, continue to side with Third World countries and share our common efforts in upholding justice and opposing foreign interference, aggression, oppression, and large-scale violations of human rights resulting from these atrocities.

**Swedish, Hong Kong Firms Donate Phone Network**  
*GW1601070490 Beijing Television Service in Mandarin*  
*1100 GMT 13 Jan 90*

[Text] The Ericsson Corporation of Sweden and Link Communications of Hong Kong signed an agreement with China's Ministry of Posts and Telecommunications in Beijing on the evening of 12 January to donate a mobile telephone communications network to the ministry. The mobile telephone communications network will be used mainly for communications purposes during the Asian Games. After it is incorporated into China's standard communications system, the new network will increase the system's capacity by more than 2,000 mobile telephone customers. This will more than double the capacity of the existing mobile telephone system in the Beijing area and is expected to help guarantee free telephone traffic during the Asian Games.

**Article Attacks Taiwan, Hong Kong Papers***HK1401084290 Beijing RENMIN RIBAO in Chinese  
13 Jan 90 p 1*

[Article by Gan Wei (3927 3634): "It Is Better To Be Honest"]

[Text] Recently, I had some special feelings when browsing Hong Kong and Taiwan newspapers. As the newspapers are owned by different people, they took different positions. Things that you regard as good may be considered by them as bad. This is a matter of course and is not at all surprising. This is something like the battle between two armies. If one side wins, the other is certainly defeated. On political issues, it is impossible that the two antagonistic sides may reach identical conclusions.

However, a newspaper should be responsible to society. Some people do not agree that newspapers are the means of propaganda. Then, let us just consider them as mass media or news media. What actual information should they pass to the public? What medium role should the newspapers play between themselves and their readers and between the facts and the readers? In my view, at least, they should inform their readers of true facts. As for how such facts are viewed, as mentioned above, newspapers holding different positions can express different opinions.

It is very regrettable that some overseas newspapers and journals and some reporters for them have gone so far as telling lies. Telling lies is the worst behavior. Anyhow, such practice cannot be considered as correct, still less can it be considered as justifiable. This is the norm for a newspaper as well as for a person.

Such examples are too numerous to mention. Here, I would like to pick up one case to discuss. That is about Su Xiaokang. I do not want to discuss his personality, but just want to say something concerning the introduction of Su's family background by some newspapers in Hong Kong and Taiwan. A newspaper, which is rather "authoritative" in Taiwan, said that Su Xiaokang's father is a "vice president of the CPC party school." It is true that a vice president of the CPC Central Party School is surnamed Su, but he is absolutely not Su Xiaokang's father. They just accidentally share the same surname. In the period of turmoil last year, posters of different size spread various rumors. One leaflet was called "the chart of revolutionary relations," which was put on everywhere in Beijing. The chart linked many leading cadres with senior state leaders, describing those with the same surnames as someone's children and those with different surnames as someone's in-laws or adopted children. Such description was ridiculed and ignored by those who were aware of the truth, but people who were unaware of the facts (young students were normally unaware of the facts) were filled with righteous indignation and emotionally involved themselves in the commotion. That the turmoil was unfolded on such a large scale in the turn of spring and summer last year in

Beijing was related to the spread of such rumors. The use of big-character posters and reactionary leaflets to spread rumors and stir up trouble has been banned on the mainland. Beyond expectation, such rumors also appeared in the Hong Kong and Taiwan newspapers which were regarded as serious.

More ridiculously, another overseas newspaper said that the vice president of the party school, "being entangled in the case of his son," had been "dismissed from office." I would like to tell my overseas counterparts that the vice president now remains in the office of the party school and has not been "dismissed." Meanwhile, I also want to tell them that Su Xiaokang's father is indeed a cadre (of course, not in the rank as high as a central party school vice president), but he was not entangled with his son. As known to all, in our country, a person must hold himself solely responsible for what he has done, and his family will not be entangled with what he has done.

I would like to ask them: As your newspapers so unscrupulously spread rumors without regard to facts, does the "freedom of the press" you always advocate exactly mean such freedom of fabricating and spreading rumors? If so, how do you maintain the objective and impartial norms for journalism?

Rumor-spreading is the omen of political failure. People may still remember that in the Liberation War, the newspapers controlled by the Chiang Kai-shek clique kept publishing reports about the Kuomintang army's brilliant military victories. Even when the Kuomintang troops were defeated and routed, the newspapers still said that the troops were "transferred" to other places. At that time, how many people really believed in such reports? After they fled to the island and recalled such things, didn't they feel ridiculous and lamentable? Those who ridiculed history will eventually be ridiculed by history. History is always so inexorable and impartial.

Lies may hoodwink people for a time, but they will eventually be laid bare. I think that they had better be more honest.

**Soviet Union****Li Peng's Plans to Visit Moscow Kept 'Quiet'***HK1601013990 Hong Kong SOUTH CHINA  
MORNING POST in English 16 Jan 90 p 8*

[By David Chen]

[Text] The Soviet Union and China appear to be keeping quiet about the proposed visit of the Chinese Prime Minister, Mr Li Peng, to Moscow, as both nations try to bridge an ideological rift caused by the political changes across Eastern Europe.

The deposed part chief, Mr Zhao Ziyang, was supposed to return the visit by the Soviet President, Mr Mikhail

Gorbachev, but the task has now fallen on Mr Li following the Tiananmen massacre last June and subsequent party shake-ups.

But the return trip has never been officially announced or confirmed. It has only been suggested in diplomatic circles and was mentioned, in an off-handed way, by the deputy foreign minister of the Soviet Union, Mr Igor Rogachev, at the end of a relatively short visit to Beijing last week.

The Chinese side has remained quiet, playing down its relations with Moscow which reached a high point last May, for the first time in 30 years.

There are three possible reasons for the Chinese reticence, analysts said.

To announce Mr Li's visit to Moscow soon, as Mr Rogachev put it, may not be productive at a time when China is trying to mend fences with the Western world, particularly the United States. The announcement might be construed by the Americans as China's attempt to play the Russian card.

Three years ago, Mr Li, then also a vice-premier, cancelled a trip to Moscow when Washington, aware of the close relationship Mr Li had with the Soviet Union, was sufficiently alarmed at improved Sino-Soviet relations as to prepare to distance itself from Beijing. In the end, another vice-premier, Mr Yao Yilin, went.

There is another reason for refraining from announcing the visit too soon.

There are signs the Soviet chief is much beleaguered by numerous problems and might be compelled to compromise his position.

The Beijing leadership remembers only too well that Mr Qiao Shi, a Politburo Standing Committee member, visited Bucharest last November to lend China's prestige to Nicolae Ceaucescu only to see a bloody end to his regime a month later.

It would be embarrassing, analysts said, to make the announcement when Mr Gorbachev's own political future is in the balance after making concessions to independence-seeking Lithuanians.

The third reason against announcing the visit is because Mr Li has not yet endeared himself to the people who hold him responsible for declaring martial law last May and the consequent bloody suppression of the democracy movement at Tiananmen Square.

Politically, the austerity programme he has vigorously pursued for more than a year has yet to be seen as successful.

Although the leadership has continued to stress the need for centralised planning, the voice for reforms continues to be heard—and endorsed by the senior leader, Mr Deng Xiaoping.

Asian diplomats stationed in Beijing speak of the emergence of a nucleus of leadership surrounding the party General Secretary, Mr Jiang Zemin, more attuned to pursuing a moderate line than the intransigent conservative ideology of the old guard, of which Mr Li appears to be the chief spokesman.

Several regional leaders known for their more moderate approach might also join the central leadership when the National People's Congress convenes in about two months.

Diplomats, who watch the Beijing scene closely, do not rule out the possibility that Mr Li might lose his position as prime minister.

## Northeast Asia

### State Councillor Zou Jiahua Heads Group to Japan

#### Leaves Beijing

OW1601062590 Beijing XINHUA Domestic Service  
Chinese 0512 GMT 16 Jan 90

[Text] Beijing, 16 Jan (XINHUA)—At the invitation of the Japanese Ministry of Foreign Affairs and the International Trade Promotion Society of Japan, a 12-member delegation headed by State Councillor Zou Jiahua left Beijing by plane for a visit to Japan today.

Seeing off the delegation at the airport were Qian Yongchang, minister of communications; He Guangyuan, minister of machine-building and electronic industry; and Hiroshi Hashimoto, Japanese ambassador to China.

#### Arrives in Osaka

OW1601112690 Beijing XINHUA in English  
0800 GMT 16 Jan 90

[Text] Osaka, January 16 (XINHUA)—Chinese State Councillor and Minister of the State Planning Commission Zou Jiahua arrived here today in an effort to further develop Sino-Japanese relations.

Zou, the highest-level Chinese official to visit Japan since last June, is leading a high-powered government delegation, which includes vice ministers from several industrial ministries.

During his ten-day stay in Japan, Zou, who was appointed minister of the State Planning [as received] last month, will meet with Japanese Prime Minister Toshiki Kaifu, Foreign Minister Taro Nakayama, and other Japanese political and business leaders.

Both sides will focus on issues relating to further development of bilateral relations, especially in the field of economic cooperation.

According to the KYODO NEWS SERVICE, Japanese Foreign Ministry officials said recently that Zou and



Japanese leaders are expected to discuss the resumption of talks on Japan's pledged third yen loan package for 1990-1995, worth some 810 billion yen.

Kaifu expressed his hope that the loans would be implemented in April as scheduled.

Zou is an official guest of the Japanese Foreign Ministry and the Association for the Promotion of International Trade.

He will attend a commemorating ceremony marking the 35th anniversary of the association's founding.

#### **Japanese Christians To Be Deported From Wuhan**

*OW1601021090 Tokyo KYODO in English 0134 GMT 16 Jan 90*

[Text] Beijing, Jan. 16 KYODO—A Japanese teacher and his wife at Wuhan University in Hubei Province said on Monday China had ordered them to leave the country by next Monday for alleged Christian missionary activities among students.

Yoshinobu Mori, 39, of Hokkaido, a teacher of Japanese language in Wuhan since 1985 told KYODO NEWS SERVICE he and his wife, Fumiko, 34, had been told to leave the country by local police following questioning Monday.

Police told the couple they were suspected of violating the Chinese Constitution, as well as customs and immigration laws banning illegal religious activities or the import of religious documents for distribution, Mori said.

The couple were alleged to have distributed Bibles to Mori's students and to have shown a videocassette on the life of a Christian railroad worker in Hokkaido who sacrificed his life to rescue local residents.

Local police questioned them twice last December and searched their house confiscating Bibles and hymn-books.

#### **NPC's Lei Jieqiong Meets Japanese Youth Group**

*OW1201102090 Beijing XINHUA in English 0916 GMT 12 Jan 90*

[Text] Beijing, January 12 (XINHUA)—Lei Jieqiong, vice-chairman of the Standing Committee of China's National People's Congress (NPC), met here today with a Japanese youth delegation headed by Teiji Kikuchi.

The delegation is here on a visit at the invitation of the All-China Youth Federation.

### **Near East & South Asia**

#### **Chen Junsheng-Led Delegation Departs for Nepal**

*OW1501130390 Beijing XINHUA in English 1205 GMT 15 Jan 90*

[Text] Beijing, January 15 (XINHUA)—A Chinese Government delegation headed by State Councillor Chen Junsheng left here today for Nepal to attend the inauguration of a sugar plant in Lumbini, which is built with Chinese assistance.

The delegation will be guests of the Nepalese Government.

#### **Iran To Participate in Asian Games**

*OW1501135290 Beijing XINHUA in English 1306 GMT 15 Jan 90*

[Text] Tehran, January 15 (XINHUA)—Iran will participate in the 11th Asian Games to be held in Beijing in September, Bahram Efsharzadeh, secretary-general of the Iranian Olympic Committee, said here today.

According to Bahram, Iranian athletes will compete in the events of soccer, weightlifting, wrestling, cycling, basketball, water polo and shooting.

To prepare for the Asiad, Iran will compete in several international tournaments before September and invite some foreign coaches to help train Iranian athletes, he added.

#### **Moroccan Party Praises State Socialist System**

*OW1301071390 Beijing XINHUA in English 0637 GMT 13 Jan 90*

[Text] Rabat, January 12 (XINHUA)—Moroccan Progressive Socialist Party (PSP) leader today praised the Chinese Communist Party (CCP) for safeguarding China's socialist system.

PSP General Secretary Ali Yata in meeting the visiting CCP delegation led by Li Chengren, deputy head of the International Liaison Department of CCP Central Committee, hailed China's persistence in applying reform and open door policy which has crowned with success.

Acclaiming the CCP as a great party with a glorious tradition, Yata said it is responsible for transforming China from a poor country into a strong one, which is a great contribution to the progressive cause of humanity.

He also said relations between the PSP and CCP stem from mutual support and understanding.

The Chinese delegation after its arrival in Casablanca Thursday at the invitation of PSP exchanged views on the international situation with Yata and PSP members.

**New Sri Lankan Ambassador Presents Credentials**

*OW1201120490 Beijing XINHUA in English  
1108 GMT 12 Jan 90*

[Text] Beijing, January 12 (XINHUA)—New Sri Lanka Ambassador to China Suhita Gautamadasa presented his credentials to Chinese President Yang Shangkun here today.

The Sri Lanka ambassador arrived here January 8.

**West Europe**

**Greek Parliament Speaker on Bilateral Ties**

*OW1301025790 Beijing XINHUA in English  
0200 GMT 13 Jan 90*

[Text] Athens, January 12 (XINHUA)—Greek Parliament Speaker Athanasios Tsaldaris said here today that relations between Greece and China will continue.

He made the remarks at an honorary banquet given by Chinese ambassador to Greece, Zhu Youwan.

Tsaldaris said both countries, having a long history and excellent cultures, remain in good terms.

Other parliament officials also attended the banquet.

**Chirac Calls State 'Axis' of French Asian Policy**

*OW1301032390 Beijing XINHUA in English  
0228 GMT 13 Jan 90*

[Text] Paris, January 12 (XINHUA)—France's relations with China should remain the axis of its Asian policy, despite its current zigzag, Jacques Chirac, mayor of Paris and former French prime minister, said today.

"China's coastal areas, with a population of 300 million, will be surely one of the economic poles of the Pacific region, and Beijing will inevitably be one of the great political capitals there," said Chirac in an article published in the "FIGARO" newspaper Friday.

"It is foolish not to follow, at this point, the road shown by General de Gaulle in a masterly manner a quarter of a century ago," said Chirac.

In 1964, China established diplomatic relations with France, which was then under the leadership of late President General Charles de Gaulle.

France should reexamine its present Asian policy, cease to be a spectator and become an actor, Chirac said.



**Political & Social****Further on Reactions to Lifting of Martial Law****Response From West Examined**

*HK1501055390 Hong Kong WEN WEI PO in Chinese  
15 Jan 90 p 2*

[Editorial: "The West Assesses Positively China's Lifting of Martial Law"]

[Text] Various countries in the world have responded positively to China's lifting of martial law that was enforced in parts of Beijing. The president of the United States said that this was "a perfect step [wanmei de yibu 1346 5019 4104 0001 2975]" and that "for those who are interested in the reform that was on the move in China, there's no way you can look at that and say it's not positive." British Foreign Secretary Hurd said: "This is good news, and is helpful to Hong Kong people's confidence in China." The Thai premier said: "This can improve the atmosphere in China, and is good for all of Asia."

China always stressed that the lifting of martial law depended on the situation in the country, that martial law would be lifted as soon as the situation stabilized; and that China would never submit to external pressure. The lifting or retaining of martial law did not depend on the pleasure of foreign countries.

In fact, before the lifting of martial law, various countries, with the United States taking the lead, sent special envoys to China for discussions and proposed the viewpoint that no effort should be made to isolate China. This is a practical attitude acquired by summing up historical experiences.

As early as the 1950's, the West tried to surround and isolate China, but this policy of blockade did not succeed in the end. The blockade caused certain dangers to China, of course, but on the other hand it also caused harm to the West itself. The whole process of easing tension in the world was delayed for many years, and for this reason many chances for trade and economic cooperation were missed.

The policy of blockades and isolation can be effective in the case of some small countries with island economies, but with a vast and populous China, whether it is effective can be determined by looking at facts in the past.

China does not wish to confront Western countries such as the United States and has always stressed friendly exchanges with every country on the premise of the Five Principles of Peaceful Coexistence. There have been obstacles, but the problems have not been created by China. It is precisely because of this that regardless of how the West adjusts its policy on China—be it sanctions or lifting of sanctions—it is out of consideration of

its own interests and strategic maneuvers; it is not out of special sympathy for China.

Interaction between countries is mainly for practical interests. China is one of the five permanent members of the Security Council of the United Nations, and is a country possessing nuclear weapons; in economic strength it ranks eighth in the world, and it has a population of 1.1 billion as well as a strategic position in Asia. China's influence on world affairs cannot be underestimated; it is also a huge market for investment and commodities. China's reform has released tremendous economic vigor, and this direction has not changed. If the world's productivity is for creating commercial profits, and particularly if the Western industrial countries are to expand in economic volume, they cannot pass up the Chinese market, which has one-fourth of the world's population. When China's political situation is stable, it will deepen political and economic reforms step by step, its gross national product will improve, and its ability to buy products and technologies from the West will become stronger. At present, the stagnant economy in the West is not due to underdeveloped technologies, but to the extreme poverty of the Third World. In the West, a huge amount of capital is laying idle and has no way of increasing in value. This "hot money" is used "as pond water to boil the pond fish," and after a certain stage is reached, it can no longer stimulate the development of the share market. Therefore, the share market has recently begun to drop. When the situation of the market with one-fourth of the world's population becomes stable and the economy begins to improve, it will be beneficial to the profit-making West. Why destroy this chance?

Politically, the United States has recognized China's role in promoting peace and stability in the Asia-Pacific region. Beijing has always advocated the easing of tension on the Korean peninsula, and has supported the United States in carrying out diplomatic contacts with Pyongyang. China has promoted the solving of the Cambodian problem and has supported political stability and economic development in Southeast Asia. China has good relations with Southeast Asia. For Western countries such as the United States to improve relations with China is significant to balancing and stabilizing the situation in the Asia-Pacific region. At present, the United States is planning to reduce the number of troops on the Korean peninsula and in Asia so as to reduce the country's financial deficit; it certainly opposes isolation of China. The positive assessment of China's lifting of martial law is a convenience adopted by the United States and politicians in the West and is a prelude to ending the attitude of sanctions of an earlier stage.

**Beijing Residents Hail Decision**

*OW1301235290 Beijing XINHUA Domestic Service  
in Chinese 1300 GMT 11 Jan 90*

[Text] Beijing, 11 Jan (XINHUA)—Cadres and people from various walks of life in Beijing have resolutely

supported the decision made by the State Council to lift the martial law imposed on parts of Beijing and showed high respect for the martial law enforcement troops for their tremendous achievements in checking the turmoil, quelling the counterrevolutionary rebellion, and restoring to normal the social order in the capital. They are determined to safeguard the nation's stability as if they were protecting their own eyes, consolidate and develop the political situation of stability and unity, and work hard to develop the great cause of socialism with Chinese characteristics.

This morning, a XINHUA reporter saw some people sightseeing at Tiananmen Square. Some of them flew kites.

Residents near Tiananmen Square were eyewitnesses and victims of the upheaval and counterrevolutionary rebellion. At the offices of the Nanchizi and Feilongqiao residents committees, our reporter visited cadres Fan Lijun and Wang Xiuzhen and residents Lu Rong and Jiao Xiuzhen. They said: During the turmoil and riot, a bunch of rowdies had blocked roads in the vicinity. Students were unable to go to schools, workers could not go to work, and residents could not go out shopping. Even patients and babies could not get the milk they ordered. Social order in the capital returned to normal after the martial law enforcement troops had taken their positions. Right now, Beijing is just like other cities in other countries. The political situation and society are stable, while production and the people's life remain normal. There are abundant supplies in the stores. If the government did not resolutely impose martial law and curb the turmoil and rebellion in a timely manner, such a fine situation could not prevail and people could not live and work in peace and contentment as they do today.

Fang Jida, a worker at the Capital Iron and Steel Company, said: To overthrow the people's government and subvert our nation, a handful of evildoers created the turmoil and counterrevolutionary rebellion. The current stable situation in Beijing and the chaos which prevailed between spring and summer this year indicate that the imposition of martial law in parts of Beijing was very necessary.

Wang Dianfu, director of the Beijing Radio Materials Plant said: The upheaval caused traffic jams. Workers were unable to come to work on time, and raw materials could not be delivered to the plant in a timely manner. Products manufactured could not be shipped out on schedule. Without martial law, industrial production and the national economy would be in a dreadful state. The party Central Committee and the State Council had resolutely imposed martial law, rapidly quelled the upheaval, and restored social order in the capital to normal. Only then could our plant overfulfill production targets.

Ma Guoxun, general manager of the Beijing Garment Import and Export Company, said: The turmoil and

counterrevolutionary riot disturbed our work and production order. At that time our export business was greatly affected. Some business negotiations were interrupted and some contracts were cancelled. Some foreign businessmen left the capital. The company's export volume in the first half of June last year dropped by 70 percent. After martial law was imposed on parts of Beijing, the turmoil was curbed and social order rapidly returned to normal in the capital. Under the stable situation, we have begun to adopt various measures to increase our exports and earn more foreign exchange for the state. As a result, we were able to export products worth more than \$170 million last year, 57 percent more than the state quota and 29 percent over 1988. The situation in foreign trade throughout the whole municipality is also the same. Our efforts after the imposition of martial law have recovered our losses caused by the turmoil. As of the end of 1989, our export volume exceeded \$1.1 billion, marking an increase of 9.8 percent compared with that in the previous year.

When martial law was being enforced in the capital, many stirring deeds emerged with the Army cherishing the people and the people supporting the Army. Now that martial law has been lifted, the people in the capital sincerely appreciate and cherish the efforts of the guardians of the People's Republic of China. Workers on construction sites of the Asian Games projects said the martial law enforcement troops risked their own lives, quickly quelled the riot, and brought social order back to normal. While performing their duties, the martial law troops also spared manpower and supplies to give support to the construction of the projects for the coming Asian Games. From now on, we will do an even better job in supporting the Army and giving preferential treatments to military dependents, and we will maintain close relations with the troops.

When our reporter visited Han Zuoli, a famous writer and educator, he said: The government's declaration on lifting martial law in the areas of Beijing where it had been imposed is a sign of the stability in the capital and in the country. Now the party and government are adhering to the four cardinal principles, leading the Chinese people to firmly take the socialist road, and carrying out further reform and economic improvement. As a veteran revolutionary, I am very happy to see all that.

Qian Chuntao, member of the national CPPCC Committee, standing committee member of the Central Committee of the China Democratic National Construction Association, and vice chairman of the Beijing chapter of the aforementioned association, said: The lifting of martial law proved that the quelling of the counterrevolutionary rebellion was a decisive victory. Right now, the situation is stable in the country. The people feel at ease, and the social order is fine. We would like to wholeheartedly thank the Peoples' Liberation Army [PLA] and the Armed Police Force.

Wu Xiegang, general manager of the Beijing Yanshan Petrochemical Company, said: The turmoil and riot brought considerable damage to the enterprise. If the martial law was not imposed in time, the Yanshan Petrochemical Company could not possibly fulfill the target of increasing its production value to 3.4 billion yuan and absorbing its 300 million yuan reduction in revenue. It could not fulfill the target of turning 1.8 billion yuan of profits and taxes to the state. We should not forget the experience and lessons given by history. We must use the facts of the turmoil and riot to educate workers and staff members to forever advocate the four cardinal principles; do a good job in improving the economic environment, rectifying the economic order and deepening the reform; develop production; and consciously maintain social stability.

Hu Daofen, an agronomist with the Beijing Municipal Academy of Farm and Forestry Sciences and a wheat seed-cultivating expert, said: It takes 7 or 8 years to grow seeds of fine strains. Sometimes it takes more than 10 years to do so. All one's previous efforts are wasted once the process of cultivating a fine seed is interrupted. Without a stable environment, it is impossible to score such achievements in agronomy. Therefore, I agree with what Premier Li Peng said in his TV speech—that people of the whole country should safeguard the country's stability in the same way as they protect their own eyes. Right now, the party Central Committee pays full attention to agriculture. To develop agriculture, we must rely on scientific research. We must cherish this situation of stability and unity, and score even greater technical achievements.

Teachers and staff members of Beijing's universities and colleges have all expressed their general support to the lifting of martial law. Xu Jialu, vice president of the Beijing Teachers' University and member of the Standing Committee of the Central Committee of the China Association for Promoting Democracy said: During the past six months since the imposition of the martial law, the domestic situation has become stable and the social order has returned to normal. After rethinking the past for half a year, people of all walks of life including college students have come to realize that China needs stability. Those who want to create chaos in China will be shunned by the people. Only stability is conducive to strengthening international exchanges and promoting economic development.

On the campus of the Beijing University, a student from the history department said that he at first could not get around to the 2 May announcement of martial law imposed on parts of Beijing. Yet, after half of a year, he has come to realize that the martial law played an important role in quelling the turmoil, stabilizing social order, and restoring people's normal life. Now the lifting of the martial law shows the stability of China's political situation. Some students of the Beijing University of Aeronautics and the People's University of China said: The stability of the country and the society accords with the will of the people of all nationalities in China. We

must cherish the present situation of stability and unity as if we were protecting our own eyes.

People's policemen Ye Rongguang and Sun Hong, members of the Public Security Department of the Beijing Municipal Public Security Bureau who participated in the 3 June campaign to protect guns at the south entrance of the Fuyou Street, said: We public security policemen resolutely support the decision made by the State Council. The lifting of martial law shows the stability of China's political situation. However, we must realize that factors of instability still exist in society. The hostile forces will be reluctant to admit their failure. They are still waiting for an opportunity to carry out sabotage. We must heighten our vigilance in this regard. We believe that with the support of the strong PLA and the people, the public security police force in the capital will definitely be able to carry out their work well under the new situation and make new contributions to maintaining social stability.

### Residents Voice Support

OW1401205190 Beijing International Service  
in Mandarin 0900 GMT 12 Jan 90

[passages within quotation marks recorded]

[Text] Listener friends, Premier Li Peng of the Chinese Government signed an order on 10 January announcing that martial law in parts of Beijing would be lifted beginning 11 January. This order issued by Premier Li Peng has caused tremendous repercussions throughout the country. Our reporter has interviewed some persons in Beijing on this development and they all expressed their support for this government order. Now please listen to the report.

Xu Guifen, a 63-year-old retired cadre living in the western suburbs of Beijing, told our reporter:

[Xu Guifen] "Martial law was enforced in parts of Beijing beginning 20 May last year. This was the first time it happened since the founding of New China. The practice in the past 7 months since the enforcement of martial law demonstrates that the government's policy decision to enforce martial law was resolute and correct and accorded with the fundamental interests of the people of the whole country. If martial law was not enforced, the turmoil and riots that broke out in Beijing would not have been quickly quelled and would instead spread to other parts of the country. This would cause enormous losses in lives and property to the people. Now Premier Li Peng has announced the lifting of martial law. This indicates our country is stable."

Xu Guifen plunged into the cause of liberation of the people in his early years. He said: The founding of New China was a hard-won victory. He said: China is a vast country which needs a stable environment for construction. There must never be any more turmoil like we had last year.



Hu Ke, a functionary of the China Center for International Science and Technology Conferences, was interviewed by our reporter in his home. He said:

[Hu Ke] "Our China Center for International Science and Technology Conferences receives a large number of foreign friends each year. They come to Beijing to attend conferences, visit various parts of China, and carry out academic exchanges. However, since the turmoil and the rebellion last year, some friends, out of consideration for their safety, have cancelled or postponed some international conferences. This is regrettable to both sides. The situation in Beijing has gradually become stable once again after the enforcement of martial law. I believe the lifting of martial law will be beneficial to the development of our work in various fields in the future. As a functionary of the China Center for International Science and Technology Conferences, I earnestly welcome foreign friends to come to Beijing to resume and develop academic exchanges with China."

Li Lijin is the driver of a Route 26 bus of Beijing. During a break he listened to the speech made by Chinese Premier Li Peng about the lifting of martial law in parts of Beijing. He told our reporter what he felt about this announcement.

[Li Lijin] "During the days when Beijing was in turmoil, traffic was chaotic, and so was the situation in other sectors. The streets were blocked by vehicles. This deeply affected our work. With the enforcement of martial law came the protection of order for us to work. Now martial law in parts of Beijing has been lifted. This indicates our society has become even more stable."

He said that he, his colleagues, and family members share the same wish that there will be stability and unity in society, that the motherland will become powerful and prosperous, and that there will never be any more incidents like the turmoil that brought disaster to the state and people.

Our reporter came to the campus of Beijing University where he interviewed Peng Huazhang, a junior of the university's department of international affairs. He said:

[Peng Huazhang] "If martial law had not been enforced, something unexpected might have happened. Martial law order has played a role in stabilizing the situation."

He told the reporter: After months of study and thinking, the mood of the university's students has basically become stable and there is a growing unity of thinking among them. He thinks that it is very necessary to lift martial law in parts of Beijing. Now is the time when there must be stability in the country for everyone to work together and strive to promote the development of the economy and construction in the country.

Teacher Yang Kangshan told our reporter that the order to lift the martial law was a timely one. It proves that the situation is stable in China. He holds that changes in the international situation, such as those in the political

situation in Eastern Europe, will not affect China, nor will the changes jeopardize the stability in Beijing.

### Move Called 'Cosmetic'

HK1401040890 Hong Kong *SOUTH CHINA SUNDAY MORNING POST* in English 14 Jan 90 p 13

[By Seth Faison]

[Text] "Getting rid of martial law didn't change anything," said a young writer, voicing a sentiment heard widely around Beijing last week after the 7-1/2 month edict was formally lifted.

"I still can't publish a thing; I am still being investigated by my work unit; I still have to listen to this empty propaganda about 'unity' every day," he complained, his voice rising with each example.

Early last week, when rumour of the impending announcement slipped out on its long, winding course from the centre of power to eventually reach the ears of commoners, it was met with some initial surprise.

Why should martial law be lifted now, many wondered, when the leadership was so obviously still tense and nervous?

Even well-informed Chinese had been predicting that martial law would last for months and many chose next autumn's Asian Games as a likely milestone before which change would not come.

Intellectuals, well aware that the mood in Zhongnanhai has a far greater effect on their lives than any law or regulation, immediately dismissed the legalistic change as little more than cosmetic.

After all, when the announcement came, in Premier Li Peng's rigid television speech to the nation, it included no hint of lightening up the continuing attack on "hostile forces" and "anti-Party elements".

Instead of conciliation, Mr Li gave a defensive justification of the need for martial law last spring, without trying to explain why it had been necessary to keep it in force for as long afterward.

One could hardly help feeling that the shift from a Beijing with martial law, to one without was primarily a semantic one, aimed at those far away enough from the capital to (mis)interpret it as a sign of real stability.

But a second message arrived the following day. And it cannot have seemed a mere coincidence, to those sensitive to Party rumblings, that the counterbalance to Mr Li's sorry performance came from his diminutive competitor, Politburo leader Li Ruihuan.

The little Mr Li has most often been mentioned as a possible successor to the premier, should he be forced to take the blame for some or other tragedy he has presided over.

Surprisingly, Mr Li Ruihuan spoke in positive terms about a permissive "Hundred Flowers" policy towards intellectuals, the familiar, age-old phrase that is frequently heard during liberal times and rarely during conservative ones.

"Divergent views can be voiced among different styles and schools, and criticism and counter-criticism allowed," he said, adding a caveat about the need for listening to Party leadership.

With the disastrous history of previous "Hundred Flowers" attempts well known, no Chinese intellectual will again be foolish enough to take such remarks at face value.

But many must have immediately wondered whether a turning point had come, if they would soon see an ever-so-subtle loosening of official control, which in the past has followed each crackdown as surely as spring follows winter.

Mr Li sounded distinctly out of step with other leaders, most of whom have since June succumbed to fanatical rantings about the evils of foreign influence, as he cited the need for exploring the treasures of world culture and civilisation.

"China should be more courageous in taking from foreign culture...regardless of whether these things are from capitalist or socialist countries," said the former carpenter.

It is hard to tell whether Mr Li was simply following instructions from behind-the-scenes elders, who sense that the crackdown has gone far enough, or if he was actually taking some initiative himself. But he certainly offered a different, alternative tone to that of the premier.

"Experience over the years has shown," he said of the "Hundred Flowers" policy, "that when the principle is followed the country's arts and literature prosper and are full of vitality; when (it) is abandoned, or deviated from, socialists, arts and literature are stifled and wither."

(Never mind that "socialist art" is a virtual contradiction in terms, conservative leaders guilty of abandoning permissive policies were no doubt happy to see artistic expression stifled and/or dead.)

Mr Li went on: "Leaders should be in close touch with writers and artists and listen to their views from time to time, so as not to treat their artistic and literary creation in an over-simple manner."

Chinese writers do not expect the day to come soon when a leader develops an enlightened view of creative work. The question is, rather, whether the political struggle going on within Zhongnanhai yields a small step in that direction, or none at all.

### Foreign Businessmen Approve

OW1101172390 Beijing XINHUA in English  
1557 GMT 11 Jan 90

[Text] Beijing, January 11 (XINHUA)—A number of foreign businessmen stationed in Beijing have welcomed the decision by the Chinese Government to lift the martial law imposed on parts of the capital.

Sadao Madokoro, deputy general manager of the Beijing Office of Japan's Mitsui and Co. Ltd, told XINHUA correspondents this morning that he saw the lifting of martial law as a sign that the situation in China is stable.

He added that over the past 10 years China has made a lot of achievements.

"The foreign businessmen here hope that China's policies of economic reform and opening to the outside world will not change, and we hope that our company will further its business activities in China," he said.

Madakoro said China's economic reforms and opening to the outside world have enlarged the business scope of his company.

He recalled that 10 years ago the company had only one small office in China. But now, he said, the company is involved in advanced equipment sales and is connected with the operations of more than 10 joint ventures.

It has set up offices in 11 cities in China, he added.

Ang Keng Lam, executive director and deputy general manager of the China World Trade Center, told the correspondents that he is optimistic about the growth of his company's operations in China.

The China World Trade Center is a 450-million-U.S.-dollar joint venture between China's foreign economic and trade consultants corporation and the Hong Kong-based Kerry Industrial Company Ltd.

Ang said that he returned to China last June 18, shortly after the turmoil ended in Beijing.

He said, "what we have seen in Beijing is a return to normality. In the long run, we are confident about China."

He told the reporters that the international trade center was opened for business at the end of last November, and about 80 foreign companies have since rented space for their Beijing offices there.

Meanwhile, Max Wilhelm, general manager of the Great Wall Sheraton Hotel, said the lifting of martial law will definitely have a positive influence, especially on tourism, this year.

He said that the stability of Beijing is the stability of China.



### Jiang Zemin Speaks at United Front Work Forum

OW1201190090 Beijing XINHUA in English  
1553 GMT 12 Jan 90

[Text] Beijing, January 12 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, said here today that the principles and policies of the party concerning the united front work over the past decade form an important component of the party's general line and general policy.

Talking with heads of united front work departments from all over the country who were attending a forum in Beijing, Jiang said that the united front work has made great achievements since the Third Plenary Session of the 11th party Central Committee, held in December 1978.

He said that the united front was one of the three magic weapons during the democratic revolution. "It remains a magic weapon during the socialist period," he remarked.

Maintaining social stability, straightening out the economic order, deepening reform, [word indistinct] the policy of "one country, two systems," unification of the motherland and invigorating China—all this needs the broadest united front, he said.

The united front work should uphold two banners—socialism and patriotism—and unite with all possible forces. The united front work should be further strengthened, rather than weakened, he said.

Jiang stressed that party committees at all levels should strengthen leadership over the united front work and the whole party should attach importance to the work.

The main leaders of party committees at all levels should follow the example of the veteran proletarian revolutionaries—paying great attention to the united front work, maintaining close ties and co-operating with patriotic non-communist personages, listening to their opinions and making good friends with them.

He said he hoped officials in charge of the united front work would do a better job for national prosperity progress.

Qiao Shi, member of the Standing Committee of the Political Bureau of the party Central Committee, and [words indistinct] alternate member of the Political Bureau and member of the Secretariat of the party Central Committee, attended today's meeting.

The five-day forum closed here today.

### Conference of Justice Directors Held in Beijing

#### Readjustment Stressed

OW0901134990 Beijing XINHUA in English  
1233 GMT 9 Jan 90

[Text] Beijing, January 9 (XINHUA)—China's judicial departments should try their best to provide legal service and guarantee the country's current drive of improving the economic environment and straightening out the economic order, Minister of Justice Cai Cheng said here today.

The most essential task this year for criminal reform and re-education work is to maintain stability and security inside prisons and the centers where criminals are reformed and re-educated, the minister said.

Education on socialism and the present situation should be promoted among prisoners, Cai said at the opening of a national conference attended by the directors of justice bureaus from across the country.

Lawyers, notaries and legal service institutions at all levels should help local governments and enterprises act according to law, the minister went on.

The Constitution, the demonstration law and the law on administrative procedure should be given priority in this year's effort to spread legal knowledge, Cai said.

The minister also pointed out that judicial departments should strengthen the guidance and management of legal education.

Politics and law institutes should put the correct and firm political orientation first while enforcing campus rules and regulations, he added.

#### Li Peng Speaks

OW1301110190 Beijing XINHUA in English  
1030 GMT 13 Jan 90

[Text] Beijing, January 13 (XINHUA)—China should strive hard to bring its work in various fields within the orbit of law and democracy, Premier Li Peng said here today.

Meeting directors of provincial justice bureaus at a national conference, the premier said judicial departments should strengthen legal education and promote the spread of knowledge on law.

"The judicial department in China," he said, "is of the greatest importance in safeguarding public security and political stability and unity."

Now China's political situation is stable and its economy is developing toward a healthy direction, the premier noted. But, he added, there still exist some factors affecting the stability, and therefore the judicial departments should continue to do their work well.

The premier said those in charge of politics and law should be loyal to the party and the state and should adhere to the socialist system, as well as willing to serve the people heart and soul.

Justice should be effective in understanding and settling issues by the views and ways of Marxism, Leninism and Mao Zedong Thought. Priority should be given to political quality in the training of justice officials.

Of the reform of criminals through labour and education, the premier said the basic guideline remains reform, thereby turning criminals into self-sufficient citizens.

The five-day conference ended here today. Also present at the meeting today was Qiao Shi, a member of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee.

### **Song Ping Speaks on Party Organization Work**

*OW1001183090 Beijing XINHUA Domestic Service in Chinese 1311 GMT 19 Dec 89*

[By reporter He Ping (0149 1627)]

[Text] Beijing, 19 Dec (XINHUA)—Song Ping, member of the Standing Committee of the Political Bureau and head of the Organization Department of the CPC Central Committee, stressed here today that the key to upholding Marxism and the socialist orientation is to successfully build our party and do well in building the party's leading bodies at all levels so that the power of leadership will be firmly held by those loyal to Marxism.

It has been learned that elections will be held next year for the new term of office of party committees of 12 provinces and autonomous regions and a rather large number of counties and cities, as well for the new term of office of most people's congresses at the county level. In view of this, the Organization Department of the CPC Central Committee sponsored a special seminar that began 4 December and was attended by responsible persons of organization departments of party committees from 18 provinces, autonomous regions, and cities.

This morning Song Ping held a discussion meeting with comrades attending the seminar. They discussed the question of how to achieve success in building leading groups in accordance with the party's basic line.

At the discussion meeting, Lu Xiuzhen, Tan Jinghe, Xue Weitang, and Ye Cunwu, responsible persons of organization departments from Jiangxi, Jilin, Ningxia, and Hubei respectively, spoke on their opinions concerning such questions as the need for strengthening leading bodies, the improvement of the ideology and work style of leading bodies, the selection and training of key responsible cadres for the party and government, and the elections for the new term of office of local party committees and people's congresses.

Song Ping pointed out in his speech: Under the present complicated domestic and international circumstances, we must be sober-minded, go all out to make our country strong, and increase our efforts to build our party. We must reinforce our confidence in historical materialism and firmly believe that socialism is bound to win final victory.

Song Ping said: To achieve success in building the party, it is most important to have a correct line. We must unremittently implement the line, principles, and policies formulated since the 3d Plenary Session of the 11th CPC Central Committee and, at the same time, do well in building the party organizations at all levels, in particular, the leading bodies at all levels. He said: Leading bodies must consistently uphold the four cardinal principles, persist in conducting reforms and opening to the outside world, and oppose bourgeois liberalization. This is the most fundamental political quality of a leading body. To achieve this, first of all, leading cadres at all levels are required to strengthen the study of basic Marxist theory so as to raise their theoretical level. Second, it is necessary to include in leading bodies those people who have a good political quality and pioneering spirit, are brave in carrying out reforms, seek truth from facts, maintain close ties with the masses, and are good at uniting with comrades.

Stressing the importance for cadres to maintain contacts with the masses, Song Ping said in his speech: To maintain close contacts with the masses is our party's fine tradition. Herein lies the party's strength. A main reason for the weakening of the fighting capacity of our party in recent years is the fact that our party was divorced from the masses in certain aspects. Should a communist party be divorced from the masses, it will inevitably engender subjectivism and bureaucratism and thus forfeit trust and support from the masses. All comrades of the party should be thoroughly and soberly aware of the seriousness of this question. He said: There are many ways for cadres to keep in touch with the masses. For example, cadres should regularly immerse themselves among workers, peasants, intellectuals, and young students to have heart-to-heart talks with them, to make friends, and to listen to their opinions; while leading cadres should set up permanent points of contact with the masses to directly handle important letters and visits from them. As far as this is concerned, the organization departments should seriously study and work out measures and regulations for setting up a system of cadres going down to the grass roots to maintain contacts with the masses.

Song Ping pointed out: No doubt our party, as the center force guiding the socialist undertaking, has led the Chinese people in making immortal contributions. We should resolutely safeguard the party's shining image and go all out to publicize model communists and their advanced deeds so that they can be emulated by the people. We should not tolerate or yield to certain negative and decadent phenomena inside the party, but should wage a resolute struggle against them.

Discussing the unity of leading bodies, Song Ping said: Unity among leaders is very important. In order to strengthen unity, it is necessary to regularly conduct ideological education among members of leading bodies. We should increase the capability of leading bodies to unite and fight by improving the inner-party democratic system, exercising democratic centralism, conducting criticism and self-criticism, and accepting the supervision of the masses.

Lu Feng, deputy director of the Organization Department of the CPC Central Committee, presided over the forum today. Another deputy director, Liu Zepeng, also attended the forum.

### Supervision Minister Views Handling of Corruption

HK0801090090 Hong Kong LIAOWANG OVERSEAS  
EDITION in Chinese No 1, 1 Jan 90 p 5

[Article by Wei Jianxing, minister of supervision: "Punish the Corrupt To Ensure the Smooth Progress of Economic Improvement and Rectification and Deepening Reforms"]

[Text] In 1989, with the fulfillment of the central task put forward by the CPC Central Committee and the State Council as the center, the supervision organs at all levels continued to stress the supervision of government work and the building of a clean government and carry out supervision in an all-around way. They put the work of opposing corruption and investigating and handling major and important cases in a very important position and endeavored to promote the building of a clean government. They thus achieved remarkable successes and made a breakthrough in this work. The following are some major expressions of this:

—They have carried out the struggle against corruption and bribery and concentrated their efforts on the investigation and handling of a number of important cases involving law and discipline violations. From January to the end of October, the supervision departments had handled a total of 168,700 reported cases, of which 38,908 were placed on file for investigation and prosecution—178 percent higher than the total number of cases handled in 1988. Of them, 36,072 cases were concluded, 157 percent higher than in 1988. A total of 23,777 persons were given administrative punishment, including 3 cadres at the provincial and ministerial level and 1,212 at the department and county (section chief) level. Of them, 2,761 were sent over to the judicial organs for further investigation and prosecution. Some 340 million yuan in economic losses were retrieved. At the same time, the supervision organs at all levels have accumulated experiences in handling cases. After the Supreme People's Procuratorate and the Supreme People's Court issued a "circular" on the deadline for criminals to surrender themselves to the judicial organs, the Ministry of Supervision also issued a "Circular on the Deadline for Government Functionaries Who Are Guilty of Corruption and Bribery to Confess Their

Crimes of Their Own Accord." Before the deadline expired, more than 17,600 persons, including 700 cadres at the department and section chief level, had confessed their crimes to the supervision organs. Their crimes involved an amount of 116 million yuan in illicit money, of which more than 76 million yuan in illicit money and other bribes had been recovered. According to relevant regulations, lenient treatment was given to 2,616 persons, and 955 persons were sent over to the judicial organs for further investigation and prosecution.

—They have carried out supervision over the administrative organs on their enforcement and implementation of the policy and measures of the CPC Central Committee and the State Council on economic improvement and rectification and deepening of reforms. Many supervision organs have participated in the general inspection of taxation, finance, and commodity prices; and in the work of reducing the scope of investment in fixed assets, checking on the projects under construction, and screening and rectifying companies. They have also investigated and handled a number of cases of refusing to implement the regulations of the central authorities. They have thus played an important role in promoting the smooth progress of economic improvement and rectification.

—They have promoted the work of building a clean government. The supervision organs at all levels have carried out the work of building a clean government in various forms, such as summing up and popularizing the experience of "two opens and one supervision," and have explored some new measures in this field. Since the CPC Central Committee promulgated the decision on doing seven concrete tasks for the good of the people, the Ministry of Supervision and the supervision departments at all levels have also drafted or participated in the drafting of some concrete regulations and measures for punishing the corrupt and building a clean government according to the requirement of the local party committees and governments. They have also improved supervision and examination of the implementation of these regulations and measures.

—They have achieved marked progress in handling letters and visits of the common people and their information against crime. The organs in charge of people's letters and visits under the supervision departments at all levels have attached great importance to finding more sources of letters and information so that they can help handle the cases more effectively. They have also changed their past practice of merely transmitting message and have participated in the investigation of some cases in a timely and direct manner. They have thus been highly commended by the masses. The number of telephone report centers for the masses had increased to more than 1,900 in October 1989 from the 550 in 1988, and a total of 490,000 calls and letters informing against crimes had been received from the masses between



January and October 1989, which was an increase of more than 100 percent over the same period in 1988.

- They have further strengthened the self-improvement of the supervision cadres. Strengthening the self-improvement of the supervision cadres is an objective demand of the new situation both at home and abroad and a pressing need for effectively performing the supervision function. In 1989, the education for the large numbers of supervision cadres on adhering to the four cardinal principles and opposing bourgeois liberalization was strengthened and the work of increasing the political quality of cadres was given priority. At the same time, various forms of professional training were offered. The ideological and political quality and the professional level of supervision cadres were thus greatly increased.

The year 1990 will be a year of crucial importance to China in promoting socialist modernization. The Ministry of Supervision will emphasize work in the following fields:

- To strengthen supervision over the enforcement of laws with economic improvement and rectification and deepening reforms as the center. Because economic improvement and rectification is, in essence, an economic readjustment and profit readjustment, whether the interests of the part can be made subordinate to the interests of the whole will become a major contradiction. For this reason, while exercising supervision over the enforcement of laws in this respect, the supervision organs must pay great attention to strengthening centralism and unity and opposing decentralism so as to defend the authority of the CPC Central Committee and the State Council and promote the smooth progress of the economic improvement and rectification and in-depth reforms. They must firmly grasp the supervision and examination of the work of reducing demand, readjusting structure, rectifying order, and increasing returns—which are the four major links in carrying out economic improvement and rectification—to see whether they are in conformity with or in violation of the relevant central decisions. Through supervision and examination, they must try to find out some general problems in implementing the policy of economic improvement and rectification, study both the subjective and objective causes for the arisen problems, and submit supervision reports and proposals to the government. They must commend all those who are implementing the central decisions in an exemplary way and who have made outstanding achievements in this respect, and they must sum up and popularize their experiences. A major task for exercising supervision over the enforcement of laws concerning the central task of economic improvement and rectification is to investigate and handle the major and important violations of central decisions which are exposed during the supervision and examination so that laws and discipline can be effectively enforced.
- To carry out in-depth struggles against corruption and concentrate the main strength on the investigation and

handling of major and important cases. This is the main task for the administrative supervision organs in 1990. Presently, because the anticorruption struggle has just begun, the tasks are still very arduous. We should never slacken our efforts in this struggle. The supervision organs will mainly investigate and handle the following three kinds of cases: First, the cases involving leading organs and cadres who have taken advantage of their power and positions to obtain illicit gains, such as graft, bribery, extortion, and embezzlement. Second, the cases concerning some problems the broad masses are most concerned about, such as the building and decoration of private houses with public funds or other means that constitute a violation of law and discipline, the speculation and profiteering involving collective units, and extravagance and waste. Third, the major and important cases which have a large influence nationwide or in some specific areas and departments. In 1990, the supervision departments at all levels must investigate and handle a number of major and important cases that have a large influence in their respective areas or departments.

- To further promote the building of a clean government. The main task for this work is to carry out supervision and examination of the implementation of the decision of the CPC Central Committee and the State Council on doing seven concrete tasks for the good of the people and of the relevant decisions made by the party committees, governments, and departments at various levels on doing several concrete jobs, and to put forth supervision proposals so that the relevant regulations can be further perfected and implemented. Resolute measures should be taken against all practices of violating the decisions of the CPC Central Committee and the State Council, and those who abide by law and discipline and who are honest in performing their official duties should be forcefully commended. At the same time, the supervision organs must also take an active part in the formulation of laws, regulations, and systems for the building of a clean government and strengthen propaganda and education in this field.

In 1990, we will also make great efforts to strengthen the self-improvement of the ranks of supervision cadres and further improve their political quality.

#### Wan Li Attends Beijing Photo Exhibition

OW1501213490 Beijing Television Service in Mandarin  
1100 GMT 12 Jan 90

[From the "National News Hookup" program]

[Video shows facade of "Chongwen District Cultural Hall" in Beijing, cutting to show medium closeups of Wan Li, accompanied by unidentified officials, viewing color and black-and-white photographs on the life of people in Fengyang, Anhui]

[Text] A photo exhibition on the life of people in Fengyang [a county in Anhui known for its poverty] opened in Beijing this morning. Wan Li, chairman of the

National People's Congress Standing Committee, and some leading comrades of the central authorities as well as people in the capital visited the exhibition with great interest.

Hu Chenggong, secretary of the Fengyang County Party Committee, said at the opening ceremony that it is the first time for a native of Fengyang to hold an exhibition in Beijing. Instead of showing photographic skills, he said, the exhibition intends to use pictures to inform the central authorities and people in the capital of the enormous changes that have taken place in Fengyang's rural areas during the last decade.

Wang Qiang, the photographer, has been recording the changes in Fengyang with his camera during the last 10 years. Of the over 20,000 pictures he has taken, over 600 have been published in papers and journals at home and abroad. The 200 or so pictures on display at the exhibition are a record of the changes in rural Fengyang. Some pictures tell of the spiritual outlook of the people of Xiaogang, the birthplace of the all-around contract system, and many other pictures show Fengyang people's diligence and inexhaustible spirit for reform.

#### Amnesty for June 4 Detainees Expected

HK1301010690 Hong Kong HONGKONG STANDARD  
in English 13 Jan 90 p 1

[By Cheung Po-ling]

[Text] Beijing is expected to announce an amnesty during the Chinese Lunar New Year to release the majority of students arrested after the June prodemocracy crackdown, Chinese sources said yesterday.

The high-placed sources in Beijing said the Chinese government planned to grant the amnesty to show the outside world that China has taken substantial steps to improve its human rights situation after this week's lifting of martial law.

They said the Beijing authorities planned to release about 60 percent of the estimated 2,000 to 3,000 students detained after the Tiananmen Square crackdown.

And they hinted that Wang Dan, 21, a first-year history student at the Beijing University who topped the wanted list of 21 student leaders and was arrested in early July, might be among those released.

Sources said the amnesty would come around the Lunar New Year which begins on January 27. According to Chinese custom the festival should be celebrated as a time for happiness and family reunion.

But the amnesty would not cover many of the intellectuals and workers who were arrested for joining the students demands for freedom and democracy, the sources said.

In another development, sources said, Chinese dissident Professor Fang Lizhi had asked to leave the country with his wife, Li Shuxian, and his younger son, Fang Zhejun, 24.

But the Chinese government had rejected the request because it feared Professor Fang, once in the West, would launch severe attacks on the present regime.

Prof Fang and Ms Li took refuge in the compound of the American Embassy in Beijing two days after the Tiananmen Square crackdown.

The couple, branded as counter-revolutionary and placed on the "most wanted list", have been a major thorn in the relations between China and the United States.

#### Article Views Student Leader's Life in Prison

HK1601102790 Hong Kong MING PAO in Chinese  
14 Jan 90 p 2

["Feature" by Tungfang Lian (2639 2455 0081): "Wang Dan Is Writing His Memoirs in Prison"]

[Text] It is about 6 months since mainland student leader Wang Dan, founder of the "Democratic Salon" and history student at Beijing University, was arrested. An informed source says that Wang Dan, the first man on the wanted list issued by the mainland police, is being detained in Qincheng Prison. He is writing his account of the 1989 pro-democracy movement in China.

A person who saw Wang Dan by getting in through the "back door" was quoted as saying that Wang Dan was in solitary confinement. He was not beaten as other students had been. He was only ordered to write a self-criticism, make a clean breast of what he had done, and inform against his "accomplices." But Wang Dan used the pen and paper provided by the police to write his memoirs. It is reported that he has written 50,000 words and will continue.

Wang Dan's friends asked him what he needed. He said he only needed English books so that he can make use of the opportunities in prison to properly study English.

The informed source said that it appears Wang Dan still remains firm in his convictions.

Wang Dan refused the offer by the prison guard to shave him. He said: "I will not shave off my beard until I am released."

Wang Dan is given five buns a day, the same ration as thousands of his fellow students draw. He has only had rice once since he was imprisoned. He said in jest: "The people outside are leading a thrifty life, it is easy to imagine how we are faring."

Wang Dan can read outdated newspapers and has to read documents. Though he is likely to be pronounced guilty of counterrevolutionary rebellion, the CPC still hopes he will become an example to radical students by



repenting his errors because he is still young and considered a typical model of a radical student.

According to another report, a favorite roommate of Wang Dan's majoring in international politics at Beijing University vainly attempted suicide twice during the investigation.

This student had not taken part in the student movement, but he was a close associate of Wang Dan and his self-criticism was rejected several times. In November last year, he tried to kill himself by cutting his wrists, but he was rescued. Early this year, he took sleeping pills in an attempt to commit suicide, but again he was saved.

#### Article Examines Possible Leadership Reshuffle

HK1301031090 Hong Kong SOUTH CHINA  
MORNING POST in English 13 Jan 90 p 11

[By Willy Wo-lap Lam]

[Text] Beijing is planning a major reshuffle of the central government leadership in a bid to avert a domestic crisis of confidence and to convince foreign countries reform policies are continuing.

The changing of the guard will be formalised at the national People's Congress scheduled to convene from late March to early April.

Chinese sources say it is almost certain that two major regional leaders—the Shanghai mayor, Mr Zhu Rongji, and the Guangdong governor, Mr Ye Xuanping—will be promoted to senior State Council positions, most likely vice-premier-ships.

At the same time, one or two vice-premiers, probably Mr Yao Yilin and Mr Wu Xueqian, are tipped to step down.

Both Mr Zhu and Mr Ye have reputations as reformists who can be depended upon to continue the opendoor policy begun by Mr Deng Xiaoping 10 years ago.

Chinese sources say the move does not mean a softening of the hard-line policies of the post-June 4 leadership of Mr Deng, the President, Mr Yang Shangkun and the Premier, Mr Li Peng.

A political source said: "New faces, especially politicians who are not known to be conservatives, are being brought in mainly to mollify regional cadres and the populace.

"As far as possible, patriarchs Deng and Yang hope to get away with a policy of new bottles for old wine."

As a result of the retrenchment policy begun early last year, enterprises, especially business units along the coast, have been badly hit.

Regional cadres staged a virtual revolt at the pivotal fifth party plenum in early November. As a result, the central leadership grudgingly agreed to put a temporary—and selective—moratorium on the tight-money policy.

Last month, Mr Yao Yilin—Beijing's most famous fiscal conservative—was relieved of his position as State Planning Commission Minister.

Succeeding Mr Yao was Mr Zou Jiahua, a technocrat who has a more "neutralist" image.

Beijing especially hopes that new faces will help appease the nation's increasingly restive urban workers.

Chinese sources say after the dramatic downfall of the Ceausescu regime in Romania, workers of more cities have applied to hold rallies to air their grievances, mainly under-employment and curtailment of salaries and bonuses.

In recent weeks in Wuhan, one of China's largest industrial cities, employees from 15 factories applied to hold demonstrations.

The promotion of relatively reformist regional leaders to central government positions forms part of what diplomats call Beijing's "smile campaign" to win back loans and investment from Western governments. The campaign began with the leadership deciding to lift martial law on Thursday.

At the same time, a number of officials known to be close associates of the ousted party chief, Mr Zhao Ziyang, have been allowed to remain in their posts.

The most notable example is Mr Wan Jiabao, an alternate member of the Central Committee secretariat and head of its general office.

Earlier this week, Mr Wan, who had accompanied Mr Zhao on his ill-fated trip to Tiananmen Square on May 19, made his first major public appearance after the June 4 crackdown when he chaired a meeting of regional party officials in Beijing.

While Beijing has not decided on Mr Ye's successor as Guangdong governor, analysts say it will most likely be a local official instead of a politician from the capital or other provinces.

#### Yan Mingfu 'Appears' To Lose All Posts

HK1501024390 Hong Kong SOUTH CHINA  
MORNING POST in English 15 Jan 90 p 10

[By David Chen]

[Text] Mr Yan Mingfu, the liberal official who lost his party secretariat job after the June 4 Tiananmen Square crackdown, appears to have been relieved of all his party functions, including membership of the Central Committee and as head of the party Central Committee's United Front Works Department.

At a nationwide conference on united front work, organised by the department, Mr Ding Guangen, who earlier replaced Mr Yan in the party secretariat, played a dominant role in winning over all non-party voices to communist rule.

Mr Ding, reputedly a bridge partner of the senior leader, Mr Deng Xiaoping, turned up at the concluding session of the conference last Friday with the Prime Minister, Mr Li Peng, himself the second most senior member of the Politburo Standing Committee, and the country's top security chief and also a Standing Committee member, Mr Qiao Shi.

Mr Yan, director of the party's United Front Works Department, was absent from the meeting, judging from NEW CHINA NEWS AGENCY reports.

At one time tipped to head the NEW CHINA NEWS AGENCY in Hong Kong, Mr Yan is reported to be in hospital—the unwritten practice for any party leader who is either in serious political trouble or about to be relieved of all his posts.

The removal of Mr Yan from all his posts has long been speculated. At the height of the political struggle shortly before martial law was proclaimed on May 20, last year, Mr Yan was named as one of the "gang of seven", all followers of the then party chief, Mr Zhao Ziyang, who were to be purged.

However, as the power struggle went on, some efforts were made to spare Mr Yan and at one time he was even tipped for a senior post in a revamped leadership after Mr Zhao deliberately stayed away from the session that paved the way for martial law.

Towards the end of last June, however, many of the reformists lost their positions in a decisive fourth plenum of the party Central Committee.

Losing their posts in the party Secretariat were Mr Yan, Mr Hu Qili, a Politburo Standing Committee member, and for Shanghai party chief [as published], Mr Rui Xingwen. Only Mr Qiao retained his membership in the secretariat, with Mr Wan Jiabao remaining as an alternate member.

They were joined by Mr Ding, and a new Standing Committee member, Mr Li Ruihuan, and later, at the fifth plenum, by General Yang Baibing.

Mr Ding, 60, was the short-lived railway minister who resigned his post in March 1988 after two train collisions and a train fire in 17 days claiming 141 lives [as published]. Five months later, however, he was appointed director of the State Council's Taiwan Affairs Office, a highly sensitive post.

Mr Ding disappeared briefly from public view, as did many other senior party leaders, at the height of the student movement in late April and May. But he returned to the limelight shortly after the crackdown and has retained his position since.

Analysts said Mr Ding's new post, although yet to be announced, as head of the party's United Front Works Department was in line with his other, the Government-orientated Taiwan Affairs Office, both dealing with unification work.

Analysts said Mr Ding might join the relatively young leadership headed by the new party chief, Mr Jiang Zemin, which is now being given more freedom in decision-making and is expected to survive after the elderly leaders, including Mr Deng and Mr Chen Yun, fade from the political scene.

#### **Deputy Chief Promoted at Organization Department**

HK0801034690 Hong Kong SOUTH CHINA  
MORNING POST in English 8 Jan 90 p 10

[By Willy Wo-lap Lam]

[Text] In a high-level reshuffle, Mr Lu Feng has been appointed head of the Organization Department of the party Central Committee.

Mr Lu, who has been a deputy chief of the department since 1983, replaces Mr Song Ping, who was inducted into the Politburo Standing Committee last June.

Analysts say the reshuffle should not affect the authority of Mr Song, a close ally of the Premier, Mr Li Peng and the Senior vice-premier, Mr Yao Yilin.

The personnel change will enable Mr Song to devote more time to major policy matters concerning party rectification and ideological indoctrination.

With his promotion, Mr Lu will handle day-to-day affairs of the Organization Department, one of the party's most important units.

Mr Lu's brief includes selection of personnel to fill senior party and government positions in both the central and regional levels. He will also be in charge of implementing the party's periodic purges of "bourgeois-liberal" members.

Not much is known about Mr Lu. Believed to be in his early 60s, Mr Lu has a background similar to Mr Song's, a former head of the State Planning Commission.

Like his former boss, Mr Lu was active in economic work. He was a former vice-chairman of the Guidance Committee for State Examinations for Economic Managerial Personnel.

Mr Lu has the reputation of being a conservative. He is also a member of the Central Commission for Disciplinary Commission. Headed by Politburo member, Mr Qiao Shi, the commission is charged with handing out punishments to wayward party members.

#### **Conservatives Appointed to Social Sciences Academy**

HK0901015590 Hong Kong SOUTH CHINA  
MORNING POST in English 9 Jan 90 p 10

[By Willy Wo-lap Lam]

[Text] Two conservative ideologues have been named vice-presidents of the Chinese Academy of Social Sciences, the country's highest research body.

Diplomatic sources in Beijing said Mr Yu Wen and Mr Jiang Liu had been promoted to the positions that carry vice-ministerial rank.

The appointments are expected to be finalised during the National People's Congress (NPC) in March.

Mr Yu, a former secretary-general of the academy, was vice-head of the party's Propaganda Department from 1983 to 1986.

A deputy secretary-general of the NPC since 1987, Mr Yu is regarded as an ally of such conservative ideologues as Mr Deng Liqun, the former head of the Propaganda Department, and Mr He Jingzhi, the present vice-chief of propaganda.

Mr Jiang has been Deputy Dean of Education of the Central Party School since 1982.

Both Mr Yu and Mr Jiang are believed to be in their late 60s, and as they are past the normal retirement age of 65, they have been brought in specifically by the conservative leadership to keep a tight rein over the academy.

Analysts say the top leadership is still considering who should replace Mr Hu Sheng as the academy's president.

Also past his retirement age, Mr Hu was supposed to have stepped down early last year.

Analysts say a leading candidate to succeed Mr Hu is Mr Deng. However, an obstacle for Mr Deng, who was sacked by ousted party chief, Mr Zhao Ziyang, from his post of propaganda chief in 1987, is that he is not well liked by Beijing intellectuals.

Academy academics, many of whom served as advisers to Mr Zhao and his followers, played an active role in the pro-democracy movement last spring.

After the June 4 Tiananmen Square crackdown, a working committee was installed at the Academy to conduct ideological education and to purge hard-core dissidents.

For example, the Institute of Political Science, which was once headed by the leading dissident, Mr Yan Jiaqi, was closed for a few months in the summer and autumn.

Mr Yan, who is a leader of the Paris-based Federation for Democracy in China, is one of the country's most-wanted counter-revolutionaries.

A Western diplomat said research work at the institute of Political Science and a few other academy institutes had basically stopped.

Analysts say similar purges have been conducted in the academy's regional branches.

Chinese sources say Mr Li Hong was recently replaced by Mr Zhang Lei as head of the academy's Guangdong branch.

A well-liked liberal and supporter of Mr Zhao's reform programmes, Mr Lin was fired partly for his well-known advocacy of the "one world, two systems" theory.

In a famous article in early 1989, Mr Lin argued the two rival systems of capitalism and socialism should be allowed to co-exist.

Mr Zhang, described as a moderate ideologue by Guangdong intellectuals, was a former deputy of Mr Lin's and head of the propaganda department of the provincial party committee.

### Editorial Positions 'Quietly Reshuffled'

*HK1301052890 Hong Kong HONGKONG STANDARD in English 13 Jan 90 p 7*

[By Fan Cheuk-wan]

[Text] China has quietly reshuffled top personnel on major newspapers and journals in a bid to increase control of the media after the lifting of martial law, a senior journalist on a prominent daily in Beijing said yesterday.

The moves were understood to have been masterminded by Mr Li Ruihuan, the Politburo Standing Committee member responsible for ideological control and party propaganda.

Mr Li said on Thursday that China had to intensify its struggle against unwanted Western ideas in the arts as there was still a serious influence of "bourgeois liberalism".

The journalist told THE HONGKONG STANDARD yesterday that a number of top personnel would be sacked before the Chinese Lunar New Year.

"Lifting of martial law in Beijing is merely a cosmetic move. The party has in fact imposed stricter ideological control over the media and the people," he said.

In the reshuffle, Mr Xie Yongwang, 57, editor-in-the LITERARY GAZETTE [as published], will be replaced by Mr Zheng Bonong, a Marxist-Leninist theorist working at the Research Office of the China Federation of Literary and Art Circles.

Mr Chen Danchen, a deputy editor-in-chief of the GAZETTE, will also be sacked, although a successor is yet to be named.

"The official announcement of Xie and Chen's dismissal is yet to come but the GAZETTE's staff have been informed of the move," he said.

The journalist said the reshuffle started at Christmas with the reorganisation of the party group in the Chinese Writers' Association.

"Xie Yongwang had been a member of the seven-man party group but was sacked together with another journalist, Feng Mu, last month," the journalist said.



"The party central carried [as published] out the re-organisation in order to tighten ideological control over the literary and art sector," he said.

"Three leftist writers were placed in the party group of the association last month, they were Ma Feng, Mala Qinfu and Zheng Bonong," he said.

"The editor-in-chief and deputy editor-in-chief of another mass-circulation literature and art journal, the PEOPLE'S LITERATURE, will also be fired this month," he said.

The PEOPLE'S LITERATURE, with a circulation of 200,000 copies, is an influential journal popular among writers and artists.

Mr Ma Weian, an official from the Propaganda Department of the Central Committee of the party, was appointed the new editor-in-chief of the CHINA CULTURAL NEWS late last month.

Mr Qin Jin, former director of the Literary Department of the influential GUANGMING DAILY, was replaced by Mr Qiao Fushan several months ago.

"The party has stepped up the personnel reshuffle in newspapers and journals related to the literary and art circles because writers and intellectuals played an active role in the pro-democracy movement last spring," said the journalist.

Mr Li Ruihuan criticised a "small number of artists" who were involved in political unrest last spring saying they stood against the Communist Party and had defamed Chinese culture.

He also order party committees at all levels to deepen education and the struggle against bourgeois liberalisation in the fields of arts and literature.

Outside the literary and art papers Mr Guan Zhihao, 59, director of the CHINA LEGAL SYSTEM, one of the country's largest newspapers with a circulation of 1.5 million and a strong supporter of legal reform, has been replaced by Mr Lu Fengyi, a senior official of the Ministry of Justice.

Media sources in Beijing said Mr Guan, a close associate of late reformist party boss Mr Hu Yaobang, had been sacked for his liberal views and tolerance towards his journalists participating in the pro-democracy demonstrations.

**Periodical Views 'Hearsay' on Private Businesses**  
*OW1101183790 Beijing XINHUA in English*  
*1045 GMT 11 Jan 90*

[Text] Beijing, January 11 (XINHUA)—It is just a misunderstanding and hearsay that a central government leader has stressed the necessity of making private businessmen lose their family fortunes in the near future, a signed article in a popular periodical explains.

The article "Don't Believe in Hearsay, Private Businessmen" by Hua Nong, was carried in the latest issue of "FORTNIGHTLY CHAT" which has over five million subscribers throughout the country.

The hearsay has spread in some places for some time, the article notes.

However, it points out, the fact is that the central government leader meant just lawbreaking private businessmen, particularly those who have seriously broken laws.

The article notes that at a national conference on comprehensive development of agriculture last December the central leader said he had heard that about half of the families with private businesses on a certain city street were earning more than 10,000 yuan (2,100 U.S. dollars) a year. Many of the rich individual businessmen had previously broken laws or been sentenced to labor reform and were monopolizing the businesses on the street, he added.

He went on to say that some of the private businessmen were still breaking the law by evading taxes. When tax collectors came to levy taxes on them, they tried to bribe the collectors at first. After the collectors refused their bribery, they took out knives, threatening to stab the collectors.

The leader said that what he meant was that such persons should lose their family fortunes.

However, the leader stressed that as one of the diversified forms of the country's economy, private business is a supplement to the public sector.

He reaffirmed that the policy toward lawfully operated private businesses has not changed.

The article also says that another central government leader has also reaffirmed that lawful private businesses will be protected as before and unlawful ones will be controlled or banned. He underlined that all private businesses should pay taxes as due.

These speeches by the two leaders show that the policy of the central government toward private businesses has not changed, the article concludes. Therefore, it points out, those private business people who operated lawfully should not be concerned.

The periodical also carried an article by Qu Jianmin which cleared up the rumors that private businesses will be the first target in the drive to solve the problem of unfair distribution of wealth and that honest people do not engage in private business.

By the end of 1988, there were 24 million people from 13 million families engaging in private business, the article says, adding that 75 percent of the businessmen live in the countryside and are still relatively poor.

Among those engaging in private business in urban areas, the article notes, about 31 percent are unemployed youths and retired workers. There are also 210,000 Communist Party members and 340,000 members of the youth league as well as many model workers and deputies to the People's Congress and the Chinese People's Political Consultative Conference.

Only several per thousand of the business people had previously been sent to reform-through-labor farms or farms for re-education of juvenile delinquents, the article says.

Therefore, the article concludes, it is unjust to consider private business as a shelter for evil people and evil practices.

### Senior Officials Urge Eradication of Illiteracy

OW0901084890 Beijing XINHUA in English  
1255 GMT 8 Jan 90

[Text] Beijing, January 8 (XINHUA)—State Councillor Li Tieying today called on peoples governments at all levels as well as the whole of society to strive for the eradication of illiteracy among young people before the end of this century.

Speaking at a national telephone conference to usher in the U.N.-designated international year for eradicating illiteracy, he said, "we should grasp this favorable opportunity and mobilise the whole of society to this end."

Li, who is also in charge of the State Education Commission, called on all people with some educational background, especially in the countryside, to teach their neighbors to read and write, and help people who are illiterate to learn.

Since the founding of New China in 1949, he noted, the Chinese Government has always regarded wiping out illiteracy and raising the quality of the Chinese nation as an important task for socialist construction, and put a great deal of manpower and resources into this task.

By the end of 1988, more than 546 million people had graduated from primary school, over 163 million adults were no longer illiterate and millions more were receiving continued education.

The proportion of illiterates among the total population of the country fell from over 80 percent before the founding of New China to 20.6 percent in 1987.

However, China still has some 220 million illiterates, or a quarter of the worlds total, due to its large population and backward economy and culture, Li said.

Of all illiterates, 92 percent live in the rural areas, 70 percent are women and about one third of the agricultural workers are illiterates.

Li said that unless illiteracy is wiped out, the popularization of scientific and technological research findings and the development of agricultural production will be

hampered. furthermore, the principles and policies of the Communist Party and the government and the laws of the country will not be well implemented.

State Councillor Chen Junsheng said at the conference that the work of wiping out illiteracy should be carried out in both the rural and urban areas, with the emphasis on the former.

### Seminar on Cultural Work Ends 10 Jan

OW1101232190 Beijing XINHUA Domestic Service  
in Chinese 1538 GMT 11 Jan 90

[Text] Beijing, 11 Jan (XINHUA)—The Propaganda Department of the CPC Central Committee and the Ministry of Culture held in Beijing from 5 to 10 January a national seminar on the situation of cultural and art work. The seminar comprehensively exchanged views and information on how to correctly appraise the situation of cultural work since the counterrevolutionary riot was quelled; how to earnestly and comprehensively review the experience and lessons on cultural and art work in the past ten years, particularly in recent years; and how to correctly and realistically define future tasks on cultural work.

Comrades Jiang Zemin, Li Ruihuan, Li Tieying, Ding Guangen and others cordially met with all the comrades attending the seminar.

At the inaugural ceremony of the seminar, He Jingzhi, deputy head of the Propaganda Department under the CPC Central Committee and acting minister of culture, talked about the current situation on cultural work. He said: The situation on the literary and art front was fine in the past six months since the quelling of the counterrevolutionary riot. Achievements have been made in studying, rethinking the past, investigating cases, and putting things in order. Many fine works of literature and art and many colorful theatrical works have emerged. All this indicates that our literary and art workers are good. Generally speaking, they have withstood severe tests. However, there remain many problems. Now is not the time to sing songs of triumph. Our education and struggle against bourgeois liberalization have just begun, and many tasks are far from being fulfilled.

On the issue of recalling and rethinking the past and summing up our experience and lessons comprehensively, scientifically and realistically, He Jingzhi used dialectical views to comprehensively describe the relations between achievements and problems, between the anti-"leftist" trend and the anti-rightist trend, between rectification and prosperity, between stability and fight against bourgeois liberalization, and between social benefit [she hui xiao yi 4357 258. 2400 4135] and economic results.

At the end of the seminar, Wang Renzhi, head of the Propaganda Department of the CPC Central Committee, made a speech. He expressed the hope that this

seminar would play its role well in developing the education and struggle against bourgeois liberalization in the realm of literature and art, enlivening socialist literature and art, and enhancing unity in the literary and art circles on the basis of the party's basic line. He pointed out: The task in doing propaganda work in 1990 is to follow the party's basic line; to continue to implement the guidelines laid down by the 4th and 5th Plenary Sessions of the 13th CPC Central Committee; further carry out the directive issued by the party Central Committee on strengthening ideological and propaganda work; lead a sustained and stable development of the situation in the country; successfully improve the economic environment, rectify economic order, and deepen the reform; and improve conditions for carrying out political and ideological work and creating public opinions. He emphatically pointed out: In carrying out propaganda and ideological work, it is necessary to foster the thinking of giving top priority to maintaining stability. It is essential to emphasize work in stabilizing the overall situation, enhancing confidence, and inspiring the spirit. It is imperative to occupy the front of ideology and public opinion with Marxist and socialist thinking. We must strengthen the party ideologically, carry out ideological work well, and do some basic work of far-reaching significance. He said: We must carry out propaganda work steadily and in a clear-cut manner. Our policy must be well defined and our work meticulous in this connection.

#### **New Party Secretaries Chosen in Ningxia, Jiangsu**

OW1301105890 Beijing XINHUA in English  
1040 GMT 13 Jan 90

[Text] Yinchuan, January 13 (XINHUA)—Huang Huang, 56, was appointed as secretary of the Ningxia Hui Autonomous Regional Party Committee by the Chinese Communist Party Central Committee.

A native of Lianshui County of east China's Jiangsu Province, Huang was former vice-governor of east China's Jiangxi Province.

Shen Daren, former secretary of the Ningxia regional party committee, who was transferred to Jiangsu, has been elected as secretary of the Jiangsu Provincial Party Committee.

#### **Statistics Show Country Has Lowest Crime Rate**

OW0401211190 Beijing XINHUA in English  
1654 GMT 4 Jan 90

[Text] Beijing, January 4 (XINHUA)—China has had the world's lowest crime rate for the past ten years, according to statistics released at the first international symposium on urban anthropology now being held in Beijing.

Tan Shen, a research fellow of the Chinese Academy of Social Sciences, said the crime rate in China is six per ten thousand. The United States has a crime rate of 515 per

ten thousand, Japan 128 per ten thousand and the Soviet Union 106 per ten thousand.

However, Chinese people still feel insecure. According to a poll of 15,000 Chinese people, 49 percent said they fear walking alone at night. In a similar poll in the U.S. 38 percent gave the same response.

According to another report released at the symposium, before 1984 violence was the main crime threatening China's urban population. With the development of economic reform in China, economic crimes have become the most common crimes. Economic crimes include official corruption and bribery, tax evasion, embezzlement, theft of state property, the illegal sale of state cultural relics, counterfeiting products, smuggling, the resale of licenses, and the resale at high prices of scarce goods and raw materials.

In Hubei Province, 1.4 billion yuan in public money and loans has been embezzled.

Between January and October last year, 11 billion yuan in taxes went unpaid throughout the country.

### **Military**

#### **Arms Production To Decline 45 Percent**

OW1501071090 Beijing XINHUA in English  
0639 GMT 15 Jan 90

[Text] Beijing, January 15 (XINHUA)—About two-thirds of China's arms manufacturers will become military-civilian producers by 1992.

This year, the government is planning to cut arms production by 45 percent compared with last year's actual output, "CHINA DAILY" reported today.

However, "the production and research of military products will be guaranteed in any condition", the paper quoted Zou Jiahua, state councillor and minister of the State Planning Commission, as saying.

Zou made the remarks at a national weaponry conference which was held here over the weekend.

With the army having been reduced and the government placing higher priority on economy, orders for Chinese military manufacturers have been decreasing since 1979, Zou said.

Lai Jinlie, president of the China North Industries Group (NORIN), said the group has invested 2.15 billion yuan (457 million U.S. dollars) into non-military production since 1979. Civilian production has kept increasing at an annual rate of 25 percent.

Civilian products accounted for 60 percent of the group's total output value last year, Lai said. These products included cars, motors, freight trains, refrigerators and cameras.



**Pilots Develop All-Weather Capability***OW1301024990 Beijing XINHUA in English  
0202 GMT 13 Jan 90*

[Text] Beijing, January 13 (XINHUA)—The first batch of Chinese Air Force pilots equipped with the latest Chinese-made high-altitude, high-speed assault planes are now able to operate in all weathers.

The pilots have finished a series of training programs, such as high-altitude and high-speed attacks, intercepting bombers and other attack planes, super-low-altitude operations and air-to-surface fighting.

In the training flights, the pilots have successfully handled more than 10 emergency situations.

Over the past four decades China has designed and manufactured many types of modern fighters, assault planes, bombers, reconnaissance planes and other special aircrafts.

**Air Force Strengthens Study of Basic Marxism***OW1401090290 Beijing Domestic Service in Mandarin  
2230 GMT 9 Jan 90*

[By reporter (Zhuang Chunsheng) from the "News and Press Review" program]

[Text] The intensive study of basic Marxist theories has been assumed by the Air Force of the People's Liberation Army as a primary ideological task in improving the party committees at all levels.

The leading organ of the Air Force has begun study classes for cadres at and above the corps level and for cadres engaged in propaganda and theoretical work, and various Air Force units have held study classes for cadres at and above the regimental level, during the past decade or so since the 3d Plenary Session of the 11th CPC Central Committee. Altogether, some 19,000 cadres have been trained on a rotational basis in over 200 study classes.

In dealing with the leading cadres' theoretical studies, the Air Force has set forth specific demands, from the guiding ideology and teaching material to the method and system of study. It is stipulated explicitly that performance in studying the theories should be included in the cadres' quality evaluation reports. Moreover, the leading organ is required to assess the cadres' theoretical knowledge and their ability to use the theories to solve practical questions as a major yardstick in appraising cadres, choosing cadres for specific jobs, and selecting advanced cadres.

In the meantime, every air regiment has selected a comrade with fairly good theoretical knowledge as an instructor to help others in their study of the theories. The central groups for theoretical studies of party committees at all levels in the Air Force have paid attention to dealing properly with the contradiction between work and study. They have complied self-consciously with the

system established for conducting theoretical studies and have made every effort to ensure that appropriate plans and arrangements are made for such studies and that there are measures to check how well the studies are being carried out.

Members of standing committees of party committees in the Air Force spend more than 40 days a year studying the theories.

**Economic & Agricultural****State Council Conference on Economic Reform****Reaffirms Reform Principles***OW1201002090 Beijing XINHUA Domestic Service  
in Chinese 0728 GMT 10 Jan 90*

[By RENMIN RIBAO reporter Jiang Shaogao (3068 4801 7559) and XINHUA reporter Xu Kehong (1776 0344 3163)]

[Text] Beijing, 10 Jan (XINHUA)—A national conference on restructuring the economic system, sponsored by the State Council, was held in Beijing 4-8 January. It was another economic conference of overall significance held in the wake of the national planning and financial conferences in December of last year. The meeting's main agenda was: To earnestly study and implement the principles outlined at the 5th Plenary Session of the 13th CPC Central Committee and to continue to deepen reform within the framework of economic retrenchment.

Attending the conference were responsible comrades of committees in charge of economic restructuring, economic planning, and economic development from all provinces, autonomous regions, municipalities directly under the central government, and municipalities authorized to have independent economic plans; representatives of the Central Committee and the State Council; and responsible persons of 11 large and medium-size enterprises.

During the session, Premier Li Peng, who is also minister in charge of the State Commission for Restructuring the Economic System, met with some representatives. He made an important speech at the closing session of the meeting. He Guanghui and Zhang Yanning, vice ministers in charge of the commission, also addressed the session, speaking respectively on economic retrenchment, deepening reform, and enterprise reform and on improving business management.

After reviewing the successes achieved following the adoption of the reform and open policy 10 years ago, the attendees maintained that, under the guidance of the Central Committee and the State Council, the decade-long endeavor to carry out reform and open to the outside world has adhered to the correct socialist course, developed the productive forces in society, strengthened

the state's economic power, improved the people's livelihood in one way or another, and achieved other great successes known to the whole world.

The attendees maintained that the following successes have been achieved during the decade-long reform:

First, it has revitalized the basic, public-owned economies in urban and rural areas. Under the premise that land and other basic production means are collectively owned, the rural reforms dominated primarily by the contract system based on household output have aroused the peasants' initiative to work, liberated the productive forces in the agricultural sector, and upgraded the rural economy in the country. Aiming at revitalizing the operation of state-owned enterprises primarily through readjusting their ties with the state, urban reforms have expanded the public-owned enterprises' production and operational autonomy, increased their responsibilities, acknowledged their relatively independent economic interests, and encouraged them to gradually become independent enterprises holding themselves responsible for profits and losses and capable of restraining themselves in the course of their independent development. To this end, a whole series of relevant reform measures have been drawn up and they have conspicuously increased the strength and the efficiency of the public-owned economies.

Second, the decade-long reform has appropriately readjusted the ownership pattern according to the development of productive forces at the initial stage of our socialist society. Thus, with public ownership remaining dominant, it has encouraged the development of all types of economic undertakings. Statistics show that in 1988 state-owned enterprises accounted for 56.6 percent of the nation's total industrial output, the collectively owned enterprises accounted for 36.4 percent—totaling 93 percent—and all other economic undertakings accounted for only 7 percent. State-owned enterprises accounted for 39.5 percent of the total retail sales of consumer goods, collectively owned enterprises accounted for 34.4 percent—totaling 73.9 percent—and all other economic undertakings accounted for 26.1 percent. These figures show that socialist public-owned economies remained the mainstay in the production sphere as well as in the sphere of commodity circulation, and that the appropriate development of independently owned and privately owned economies and other economic undertakings can serve as a useful supplement to the socialist economy.

Third, the decade-long reform has initially reformed the ways and means of managing economic plans in accordance with the law of the planned commodity economy of our socialist society. In addition to setting direct targets, legal and economic measures have also been used. Fiscal, banking, pricing, and distribution policies have played an increasingly important role in the macroscopic economic control system, and preliminary successes have been achieved in exploring ways to devise an

economic mechanisms and macroscopic control system which can organically integrate economic planning and market regulation.

The meeting maintained that the socialist endeavor to carry out reform and open to the outside world is an unprecedented, creative cause, and that therefore, like all other major social changes in history, problems and even mistakes of various descriptions are inevitable. For example: Owing to the lack of an overall and thorough understanding of the national situation and capability, we have been overeager, both mentally and practically, to expedite reforms. While restructuring the excessively restrictive and rigid economic system, we have ignored the need of an appropriate degree of centralization. While emphasizing the need of devising microscopic measures for invigorating the economy, we have ignored the need of an overall balance and more efficient macroscopic control, and have failed to keep pace with our legislation and the formulation of other necessary supervisory measures. Moreover, because our reform measures are not properly related, and sometimes even mutually contradictory, we have not been able to achieve the expected results. The meeting faced these problems squarely and decided to take measures to deal with them so that the pace of reform and openness can proceed more steadily.

This year is the second and a crucial year for economic retrenchment. In what way should enterprise reform proceed during the course of economic retrenchment? The meeting put forward the following major measures:

1. The contract system should be further improved and developed in the course of economic retrenchment. The objectives are: Stabilizing policies, promoting what is beneficial and abolishing what is harmful, providing guidance according to the nature of the various projects, and making greater contributions. Stabilizing policies means that we should stabilize the major aspects and the basic modes of the contract system. Promoting what is beneficial and abolishing what is harmful means that, on the basis of bringing the incentives of the contract system into play, measures should be taken to solve the problems that crop up when the system is implemented. Providing guidance according to the nature of the various projects means that different measures—not "arbitrarily similar measures"—should be taken to handle various issues—such as different lengths of contracts, basic contractual quotas, progressive rates, contractors' alternatives and incomes, and internal distributions—in different types of enterprises at different places on the basis of the state's "Contract Regulations" and production policies. Making greater contributions means that measures should be drawn up so that, when contracts are renewed, the various enterprises should see to it that they consider the interests of the state and the interests of the whole, and take the initiative to make greater contributions to the state.

2. Continue to implement and improve the system under which directors of enterprises assume full responsibility.

This system is closely tied with the system by which enterprises operate under contracts because without the former, the latter cannot be implemented. One very important issue here is that relations between party organizations and administrative departments within enterprises must be properly handled so that factory directors and party secretaries will support each other, coordinate their work, and make concerted efforts to make the operation of their enterprises a success. Furthermore, they should seek the support of all workers, bring their enthusiasm and initiative into play, and lead them to surmount difficulties.

3. We should revitalize large and medium-size enterprises so that they can bring their dominant role into play. Large and medium-size enterprises should set even higher criteria for themselves for improving their efficiency. They must make every effort to upgrade their technology, make constant efforts to develop new products, make greater profits through scientific and technological measures, and take the lead in making a success of all internal reforms and controls. Meanwhile, we must also create the essential environment which can facilitate the normal operation of large and medium-size enterprises.

4. We should continue to develop enterprise groups. The principal mission of developing enterprise groups this year is to improve their quality. Efforts must be made so that these groups can really play a practical role, their cores can become stronger and stronger and are closely knitted, and the ties among group members are strengthened.

5. Measures should be taken to encourage mergers of enterprises. The merger of enterprises is in line with the needs of economic retrenchment and an important measure for restructuring the economic system and increasing effective supply. Mergers of enterprises are now countering certain new problems. The main problem is that the superior enterprises lack sufficient power and their capacity for merger is limited, and that the number of inferior enterprises which seek mergers has increased and the number of superior enterprises which seek mergers has decreased. This being the case, the work to create an environment which can encourage superior enterprises to merge among themselves should be emphasized this year. Government departments should take active steps to guide and promote this endeavor, provide the necessary coordination, and support all mergers which are in line with production policies. Under the principle that no financial losses will be incurred by the state, they should adopt all kinds of flexible measures to promote mergers.

6. Enterprises should make efforts to achieve better economic performance through improving their management. The guiding principle for managing production and operations of enterprises should be one of tapping their potential, lowering their production cost, improving the quality of their goods, upgrading their technology, and making greater profits. Enterprises must

earnestly integrate their management with restructuring their economic system and upgrading their technology.

7. All types of reform should be promoted at selected areas according to plan. For example, experimental, comprehensive reforms should be further promoted in the 14 cities authorized to draw up independent economic plans as well as in other cities. Continual efforts should be made to promote experiments in reform and openness in Guangdong, Fujian, and Hainan; and comprehensive reform experiments should continue to be launched in counties. Moreover, measures to "separate taxes from profits, repay loans after paying taxes, and become contractors after paying taxes" should be actively and reliably tried out at selected enterprises, and experiments in the stock-and-share system should be carried out in a small number of enterprises. We should also continue to reform the housing system at selected locations, and actively experiment with the establishment of social insurance programs.

To accomplish this year's mission of carrying out economic retrenchment and deepening enterprise reform, the meeting stressed the need to display higher spirit, work in unity, and make concerted efforts to surmount difficulties. It said: The leading groups of enterprises, in particular, should arouse the enthusiasm of all their workers to make a success of all projects of deepening enterprise reform and improving business management.

During the meeting the attendees also repeatedly discussed and revised the "Views of Deepening Enterprise Reform and Improving Enterprise Management During Economic Management" drafted by the State Commission for Restructuring the Economic System. An Zhiwen, He Guanghui, Liu Hongru, Zhang Yanning, and Gao Shangquan, leading members of the State Commission for Restructuring the Economic System, also separately had wideranging and thorough discussions with the attendees.

### Readjustment Objectives Stated

OW1601012190 Beijing XINHUA in English  
0039 GMT 16 Jan 90

[Text] Beijing, January 16 (XINHUA)—China will basically complete the task of improving the economic environment and readjusting the economic order in three years or more.

This is the tenor of a decision taken on November 9, 1989, at the Fifth Plenary Session of the 13th Central Committee of the Communist Party of China. The decision, which has just been made public, pointed out that the main objectives of the economic readjustment are:

Gradually to slow down the inflation rate and reduce rises in the consumers' price index to less than 10 percent a year;



To prevent the issue of currency from exceeding the economic growth rate and gradually to achieve compatibility between the amount of currency issued in any one year with the rational needs of that year's economic growth;

To strive for a balance of revenue and expenditure and gradually to wipe out financial deficits;

To maintain an appropriate economic growth rate based on intensified effort to improve economic efficiency, economic quality and the scientific and technological level, and to strive for an average annual growth in gross national product of five to six percent;

To improve the irrational industrial and agricultural structure, and to strive for a gradual increase in the supply of major agricultural products, and for the gradual alleviation of the shortage of energy and raw materials and the inadequacy of transport;

And to further deepen and improve various reform measures and gradually establish a macro-economic control system that is in line with the principle of combining a planned economy with market regulation, and that comprehensively employs economic, administrative and legal means.

At the same time, the decision called for grasping four important links in the efforts to improve the economic environment and readjust the economic order:

1. Continued efforts should be made to cut the total social demand, and to resolve the problem of earmarking an excessive proportion of the national income for consumption;
2. Vigorous efforts should be made to adjust the industrial structure, increase the effective supply, and strengthen the staying power of economic development;
3. Effective steps should be taken to overcome the serious confusion in the realms of production, construction, circulation and distribution;
4. The campaign for increasing production and practicing economy, and for increasing revenue and cutting expenditure should be deepened.

The decision emphatically pointed out that, whether during the period of economic readjustment or after this task is completed, China must at all times proceed according to its basic circumstances.

It must also pursue the principle of a long-term sustained, stable and harmonious development, and in economic matters it must always give priority to the constant improvement of efficiency.

### Decision on Improving Economy

OW1601010790 Beijing XINHUA in English  
0031 GMT 16 Jan 90

[Text] Beijing, January 16 (XINHUA)—The Central Committee of the Communist Party of China (CPC) made public here today a decision on further improving the economic environment, straightening out the economic order and deepening the reform.

Adopted at the Fifth Plenary Session of the 13th CPC Central Committee on November 9, 1989, the decision points out that continuing to firmly carry out the principle of improving the economic environment, straightening out the economic order and deepening the reform is the essential way of overcoming the current economic difficulties and achieving sustained, steady and coordinated development of the national economy.

Running nearly 20,000 Chinese characters, the decision is divided into the following eight parts:

- reach among the whole party a common understanding of the current economic situation;
- the duration and goals of the economic readjustment;
- continue to control demand and adhere to the principle of tightening finance and credit;
- strengthen agriculture and other basic economic sectors and readjust the economic structure;
- earnestly straighten out the economic order, particularly the order of distribution;
- make every effort to raise economic efficiency;
- continue to deepen the reform and open wider to the outside world;
- enhance the party's leading role in improving the economic environment, straighten out the economic order and deepen the reform.

### Control of Total Social Demand

OW1601021690 Beijing XINHUA in English  
0146 GMT 16 Jan 90

[Text] Beijing, January 16 (XINHUA)—Resolute control of total social demand remains the primary task for China in its current effort to improve the economic environment and straighten out the economic order, according to a Chinese Communist Party (CPC) Central Committee decision which was made public here today.

The decision calls for continued cut in the total investment in the fixed assets and a resolute readjustment of investment in the mix of sectors of the national economy.

According to the decision which was adopted at the Fifth Plenum of the 13th CPC Central Committee on November 9, 1989, the total investment in fixed assets in 1990 or in 1991 should remain at 1989's level or lower.

On the basis of controlling the total investment, the decision says, a big cut will be made to the investment in ordinary projects so as to ensure necessary investment in primary industries.

During the current economic readjustment, it says, no office building, guesthouse or reception center projects will be permitted; no ordinary new processing project is planned; projects that produce high energy-consuming and luxury goods will be entirely banned.

To earnestly control the over-heated growth of consumption, the decision says, efforts must be made to resolutely correct the erroneous advocating for luxury consumption in recent years and to ensure that the rise of consumption funds is kept lower than that of the national income and labor productivity.

For this purpose, China will continue its efforts to reduce institutional purchasing power and strictly control purchases of controlled and non-controlled goods.

The 39-point decision calls for implementing the tight financial and credit policy because this is fundamental in cutting the total social demand.

The policy, which proved effective in the past year, should not be changed just because some enterprises are short of funds at present, the decision says.

While increasing financial income, great efforts should be made to cut expenditure, it points out.

The central bank must control money supply and the total credit loans, it urges.

The amount of money supply and loans in 1990 should remain at 1989's level, the decision says, adding that priority should be given to key industrial sectors, projects, products, and enterprises in issuing new loans in strict accordance with the state industrial policy.

### **Strengthening of Party Guidance**

*OW1601095990 Beijing XINHUA in English  
0918 GMT 16 Jan 90*

[Text] Beijing, January 16 (XINHUA)—China must strengthen the Communist Party's leadership and unite the party and people in efforts to overcome the country's economic difficulties, says a decision by the Central Committee of the Chinese Communist Party (CPC), which was made public here today.

The decision was taken at the Fifth Plenum of the 13th CPC Central Committee on November 9, last year. It points out that political and economic stability is the prerequisite for and foundation of a stable country, and neither is dispensable.

While safeguarding the political situation of stability and unity, party organizations at all levels, especially those in economic departments, enterprises and rural organizations, should ensure the smooth improvement of the economic environment, straightening out of the economic order and deepening of the reforms in accordance with the overall interests of the country.

To realize this, the decision calls on every party member and party official to integrate their thinking, speech and

action with the principles and policies of the party Central Committee and firmly oppose decentralism.

Party members and party officials, says the decision, should keep in close contact with the public and be the first to bear hardships and the last to enjoy comforts. Only thus can they unite people of all nationalities and influence them to plunge into the construction of socialist modernizations.

The decision also asks people all over the country to persevere with the practice of self-reliance, hard work and thrifty living to overcome the temporary economic difficulties and achieve greater successes.

### **Freer Rein for Enterprises**

*OW1601014690 Beijing XINHUA in English  
0124 GMT 16 Jan 90*

[Text] Beijing, January 16 (XINHUA)—A Communist Party decision made public today says big and medium-sized state-run businesses must be allowed to fulfil their role as the backbone of the national economy.

The decision on improving the economic environment, straightening out the economic order and deepening the reform was adopted on November 9 last year at the Fifth Plenary Session of the 13th Party Central Committee.

The decision says that only by running well can the big and medium-sized state-owned enterprises stabilize the overall economic situation, strengthen the economic power of the nation and realize modernization. It calls for the removal of obstacles hindering their development.

The decision notes that all such businesses must amplify and strengthen their fundamental work, improve their management and administration, further enhance the competence of the workers, bring the initiative of the staff into full play, carry out technological transformation and innovation, increase profits through managerial and technological advances, and strengthen their ability to make their own decisions and assume sole responsibility for their profits or losses, self-development and self-control. This, it says, is the key that will enable the enterprises to fulfil their role as the backbone of the national economy.

The decision says each industry must classify its enterprises in accordance with their importance and economic efficiency and distribute resources to them according to the industrial policy of the state, and the availability of energy, raw materials and transport. They must be guaranteed priority.

The decision calls for resolute measures to end all unreasonable expenses in order to reduce the burdens on the enterprises and create better conditions for fair competition.

### Raw Materials Output Up

OW1601025690 Beijing XINHUA in English  
0227 GMT 16 Jan 90

[Text] Beijing, January 16 (XINHUA)—China will strive to maintain steady growth of the production of energy and major raw materials, according to a decision of the Chinese Communist Party (CPC) Central Committee made public here today.

The decision on further improving the economic environment, straighten out the economic order and deepening the reform was adopted at the Fifth Plenary Session of the 13th Central Committee of the CPC on November 9, 1989.

It calls for efforts to raise the efficiency of transportation, readjust the processing industry and check its unbridled growth.

The decision points out that in the coal industry, priority should be given to the coal mines which are under unified state planning. Meanwhile, efforts should also be made to develop local coal mines.

It says the production of crude oil and electricity should be increased steadily. The industries of iron and steel, nonferrous metals, chemicals and building materials should adjust their product mix, turn out more products which are in short supply, and improve product quality. The transport departments should raise their comprehensive transport efficiency, and the management of railway, highway, shipping and aviation services should be improved so as to increase their transport capacity.

The decision requires the cadres and workers in the energy, raw materials and transport departments to further tap the potentials, increase production and practice economy. It calls on the whole nation to economize on energy, raw materials and transport capacity. At the

same time, it promises that the state will take proper measures in investment, loans and goods supply to support these departments.

The decision says that a major task of readjusting the economic structure is to make the processing industry grow in line with agriculture, basic industries and infrastructures and adapt itself to the changes in market development. The document lists two categories of processing industry as the major sectors that should be controlled or cut down: (1) ordinary processing industries that consume an enormous amount of energy, raw materials and foreign exchange, but turn out inferior products and are redundant; (2) trades that produce luxury goods beyond the people's average purchasing power.

The decision calls for efforts to continue technological transformation of the existing enterprises, give full play to the great potentials of the existing machine-building, electronics and defense enterprises, turn out more products that can increase effective supply, earn foreign currency through export or serve as import substitutes.

It says the light and textile industries should gradually readjust their product mix and especially develop goods for daily use in the rural areas. The machine-building and electronics industries should develop complete sets of equipment and basic components necessary for the basic industries of energy, raw materials, transport and telecommunications, and produce more applicable farm machines and implements.

The document says all departments and localities should, in accordance with the requirements of readjusting the processing industry and the criteria for economic efficiency, work out a catalog of goods whose production shall be limited, stopped or guaranteed. For the goods which should fall into disuse and whose production should be stopped according to government decrees, banks should stop extending loans, power departments stop electricity supply, materials administration bodies stop supplying fuels and raw materials, and transport departments refuse services.



**East Region****Jiangsu Holds Eighth Provincial CPC Congress****Leaders Attend**

*OW1101132750 Nanjing Jiangsu Provincial Service  
in Mandarin 1015 GMT 22 Dec 89*

[Text] The Eighth Jiangsu Provincial CPC Congress held its second plenary session this morning [22 December]. The session heard work reports by the Jiangsu Provincial Advisory Commission and the Jiangsu Provincial Discipline Inspection Commission. Today's session was presided over by Comrade Chen Huanyou. Han Peixin, Shen Daren, Deng Hongxun, Sun Jiazheng, Cao Hongming, Yue Dewang, Hu Fuming, (Gu Hao), Liu Lin, Zhou Ze, and Cao Keming, all of whom are members of the Standing Committee of the Presidium of the current congress, were seated in the front row of the rostrum.

The work report by the provincial advisory commission reviewed the commission's work in the past 5 years. In the report, Comrade Liu Lin pointed out: The provincial advisory commission has always been concerned about the agriculture issue. Regarding the guiding ideology for economic work, for improving the economic environment and rectifying economic order, for party building, and for promoting spiritual civilization, the provincial advisory commission has organized more than 10 collective investigations and studies in the past 5 years, and members of the commission have also conducted a few investigations and studies. Based on these, more than 70 reports, totaling about 400,000 characters, have been written. Liu Lin said: The advisory commission has no past experience to follow in carrying out its work, especially in how to play an appropriate role. In the past 5 years, the advisory commission has insisted on doing its work under the leadership of the provincial party committee, has done its best to support comrades working on the front line, has played a role pertinent to the commission, and has refrained from doing inappropriate work or work beyond its ability. Liu Lin pointed out: In the future, the advisory commission will closely keep in line with the Central Committee, both ideologically and politically. We shall work hard to safeguard and advance the party's undertakings; we shall do our best to carry out our work in accordance with the instructions and tasks established by the current party congress, and under the leadership of the provincial party committee; we shall appropriately give play to the functions of the advisory commission in accordance with concerned stipulations in the party constitution; and we shall pay attention to the self-improvement of the advisory commission in order to ensure that accomplishes its tasks better.

**Elects Discipline Inspection Commission**

*OW1101132290 Nanjing Jiangsu Provincial Service  
in Mandarin 1015 GMT 26 Dec 89*

[Text] The provincial discipline inspection commission elected by the Eighth Jiangsu Provincial CPC Congress

held its first plenary session this morning [26 December]. The session elected members of the Standing Committee, secretary, and deputy secretaries of the provincial discipline inspection commission.

Entrusted by the Presidium of the Eighth Jiangsu Provincial CPC Congress, Comrade Cao Keming presided over today's session. Two of the 35 members of the commission due to attend the session took leave, and so 33 members actually attended. The session first unanimously approved draft regulations on elections and approved a namelist of ballot scrutineers. By secret ballot, the session elected seven Standing Committee members from eight candidates. The seven elected were Cao Keming, (Zhang Pinghua), (Zhuang Jianxin), (Wu Jianzhi), (Ji Kuishun), (Wang Yihua), and (Pan Hantao). The session also elected Comrade Cao Keming as secretary of the provincial discipline inspection commission; and comrades Zhang Pinghua and Zhuang Jianxin as deputy secretaries of the commission.

**Shanghai Holds Kuomintang 'Agents'**

*OW1401090390 Shanghai City Service in Mandarin  
2300 GMT 13 Jan 90*

[From the "Morning News" program]

[Text] (Qiu Lin), (Zhou Yan), (Lu Zhengqing), (Feng Jun), and (Cao Weiguo), secret agents dispatched by the Kuomintang secret service agency in Taiwan to collect intelligence about the turmoil in Shanghai, were arrested recently with the approval of the Shanghai Municipal People's Procuratorate. Criminal proceedings were initiated, after investigation, in the municipal intermediate court against these individuals, who were charged with engaging in espionage.

One of these Kuomintang secret agents, (Qiu Lin), became a member of the secret service agency of the Kuomintang in Taiwan through someone's introduction in June 1988, when he was in the Philippines. He was assigned to collect intelligence and to recruit more people into that organization. He was provided with the funds to conduct these activities. He purchased cameras, radio-cassette recorders, and secret writing instruments to be used in the espionage activities and sneaked into the country in September of the same year.

At the turn of spring and summer last year, when turmoil occurred in Shanghai, (Qiu Lin) on many occasions probed and collected intelligence, which he secretly submitted to the Kuomintang secret service agency in Taiwan.

(Zhou Yan), another Kuomintang secret agent, went to Japan in March 1988 and joined the secret service agency operated by the Kuomintang in Taiwan. After he returned home in September of the same year, he recruited (Cao Weiguo) and other people into his secret service organization. In February 1989, he recruited two more people, (Lu Zhengqing) and (Feng Jun), into the secret service agency and received money from that

organization to carry out espionage activities. Under the arrangements of that secret service agency, (Zhou Yan) on 21 May 1989 secretly passed to that organization information on demonstrations and intelligence about the turmoil in Shanghai collected by (Lu), (Feng), and other agents.

### Shanghai Develops Stock Market

HK1601064090 Hong Kong WEN WEI PO in Chinese  
16 Jan 90 p 2

[Dispatch: "Shanghai To Set up a Stock Exchange"]

[Text] The stock trade of Shanghai has been exceedingly active over the past 1 year. According to statistics, the volume of business in the whole year amounted to 803 million yuan renminbi [RMB], constituting a half of the gross volume of business of the whole country and recording an increase of 160 percent over 1988. The average daily volume of business reached 2.63 million yuan, and the highest volume of business on a day amounted to 5.2 million yuan. The persons concerned disclosed that arrangements would be made for setting up a Shanghai stock exchange this year. It is learned that the state treasury bonds are still playing the "leading role" in the stock business in Shanghai. The volume of the state treasury bonds business of Shanghai amounted to 760 million yuan, accounting for nearly a half of the volume of the state treasury bonds business of the whole country. Since the state treasury bonds market opened in April 1988, the total volume of the state treasury bonds business of the Shanghai stock market has exceeded 1 billion yuan.

The stock business has appeared comparatively slack. The volume of the stock business was 7.77 million yuan last year but still recorded an increase of 70 percent over 1988.

As the state treasury bonds business in Shanghai is active, the price of the state treasury bond fluctuates in the market. Except for June last year, its price has kept rising all along. Taking its price in 1985 as an example, 114 yuan for every 100 yuan of the state treasury bonds in the beginning of the year rose to 135 yuan at the end of the year, but the earnings ratio dropped accordingly, and the difference between these two periods reached 3 percent. The business structure of the Shanghai stock market also appears more normal and rational, and the proportion of the amount of stocks sold to the amount of stocks bought was 85 percent in 1988 and reached 90 percent in 1989.

It is reported that a few days ago, a responsible person of the Shanghai Municipal People's Bank declared: While the financial organs are continuously straightened out and consolidated this year, the Shanghai stock organs will be put on a sound basis. Shanghai now has three stock companies, including Wanguo, Haitong, and Shenyin. The first two companies will be retained, and Shenyin Stock Company run by the Municipal People's Bank will be sold to other financial organs. At present,

the whole municipality has 11 stock business units and 15 agencies. On this foundation, the municipality will further set up additional agencies.

This responsible person said: Beginning this year, arrangements for setting up a Shanghai stock exchange will be emphatically considered, so that the volume of business can be expanded through brokers. At the same time, arrangements for establishing a Shanghai Stock Trade Association will be made.

A Shanghai stock issuing market has now initially taken shape. Where an enterprise wants to issue bonds of over 10 million yuan to society, after assessment by Shanghai Yuandong Assessment Company, a stock company will take the lead in organizing the joint promotion of sales or assisting the enterprise with sales. This year, it will be considered to integrate all stock business counters into an organic whole by means of a network. To perfect and develop the issuing of bonds and the circulation market, the formulation of the laws, including the law of stocks, law of transactions, law of the stock exchange, and regulations of the management of brokers.

This responsible person also revealed: The Shanghai Municipal Office for Reform of the Structure and the Municipal People's Bank have set up a leadership group for studying stocks. This leadership group is now formulating policies and conducting investigation and study. As it now does not have conditions for a large number of stocks going on the market, the Shanghai stock market is therefore prepared to begin with the state treasury bonds. The state treasury bonds in Shanghai that now amount to 11.4 billion yuan will gradually go on the market in a planned way in order to bring along the circulation and issuing of the other stocks with the circulation of the state treasury bonds

### Shanghai Reports Six Vices Prosecutions

OW1401110690 Shanghai City Service in Mandarin  
1000 GMT 13 Jan 90

[Text] People's courts at all levels in Shanghai Municipality have severely punished criminals engaged in the six vices in accordance with the law. At a 13 January press briefing, Li Guoguang, vice president of the municipal higher court, said: In 1989, Shanghai's courts handled 253 cases of the six vices, involving 444 defendants, an increase of 169 percent and 107 percent, respectively, over 1988.

Vice President Li Guoguang said: Of the cases involving the six vices handled by the municipality last year, 35 percent concerned the operation of gambling houses or the holding of gambling parties. (Wu Bangpu), an employee of the Dongfang Overseas Enterprise Corporation of Guangdong, played for the highest stakes—70,000 yuan. He was sentenced to 3 years' imprisonment, the maximum punishment according to the law.

Lu Guoguang pointed out: Gambling has now become an important factor influencing businessmen to rob, corrupt, and commit other crimes. Thirteen gamblers were sentenced to death in Shanghai last year, because their gambling had forced them to commit serious crimes.

Vice President Li Guoguang said: Of the cases involving the six vices judged last year, cases involving the manufacture and sale of pornographic books and pictures increased by the largest margins. The 232 cases handled last year represented a 350 percent increase over the previous year.

Li Guoguang added: No lawsuits involving feudal superstition in suburban rural areas were reported last year. The number of cases of drug trafficking and kidnapping of women also went up.

Li Guoguang noted: Courts at all levels in Shanghai in 1990 will make full use of the law as a weapon to carry out the struggle against the six vices to the end.

#### **Zhejiang Secretary Greet Soldiers**

*OW1101134490 Hangzhou ZHEJIANG RIBAO in Chinese 18 Dec 89 p 1*

[Text] With the New Year around the corner, Li Zemin, secretary of the provincial party committee who was inspecting Huzhou City, visited on 17 December the base of a group army stationed in Zhejiang. He extended holiday greetings to the officers and men there and thanked these heroes for their support in the development of the material and spiritual civilizations in Zhejiang.

Li Zemin first called on the cadres and soldiers at the camps and then cordially held talks with the group army's leading comrades, including its commander Li Qianyu and commissar Wu Quanxu. Li Zemin said: "We'd like to thank you. This year, our province, Zhejiang, went through dual trials—a political turmoil and natural disasters. You rendered meritorious service to the people in your fight against those disasters and made outstanding contributions to the stability of Zhejiang in your efforts to put down the turmoil."

The leaders of the Zhejiang-stationed group army thanked the people of Zhejiang for their caring and concern for the Army. They indicated that they would further strengthen army construction in accordance with the guidelines of the 5th Plenary Session of the 13th CPC Central Committee.

#### **Zhejiang Reports 1989 Trade Volume**

*OW1101140690 Beijing XINHUA in English 0818 GMT 10 Jan 90*

[Text] Hangzhou, January 10 (XINHUA)—The volume of foreign trade of Zhejiang Province in east China was 1.879 billion U.S. dollars in 1989, 16 percent more than the record achieved in the previous year.

Sources from the provincial department of foreign economic relations and trade attributed the result to efforts to restructure export commodities by increasing the proportion of precisely-processed and finished goods to raw materials and simply-processed commodities.

The volume of exported machinery and electric and electronic products accounted for 15 percent of the total volume of the province's foreign trade, while that of silk, textiles, garments and knitwear accounted for one-third, the sources said.

The province's exports were mainly sent to Japan, the United States, the European Economic Community, the Soviet Union, and countries in Eastern Europe, Southeast Asia, the Middle East and Hong Kong region.

### **Central-South Region**

#### **Guangdong Tightens Internal Security Control**

*HK1501045890 Hong Kong MING PAO in Chinese 15 Jan 90 p 6*

["Special dispatch": "Guangdong To Settle Accounts With Pro-democracy Activists"]

[Text] Although the Chinese authorities declared to the outside world that martial law imposed in some districts of Beijing Municipality had been lifted, they still repeatedly stressed the need to tighten the internal control and strengthen the dictatorship. At present, the situation in Guangdong is relaxed on the surface but tense in essence. The provincial public security department received an order from Beijing and will take action against pro-democracy activists who have not been punished after the June 4 Incident.

Recently, the document about the CPC Central Political Bureau's meeting about the East European situation has been circulated among party members in various provincial-level and city-level institutions and enterprises in Guangzhou. The document required party members and cadres in all localities to maintain the same approach to the events in Eastern Europe. They are required to adopt an attitude of not commenting on and not interfering in the internal affairs of other countries, and they are required to express no personal opinion on these events. The document also stressed the need to strengthen the dictatorship at home, closely watch out for any symptom of unrest, and resolutely put out any spark of turmoil.

Since the East European countries discarded socialism one after another and the Romanian people overthrew the autocratic rule late last year, the Chinese authorities have become extremely nervous at the possible impact of the reform torrent in Eastern Europe on the Chinese mainland. The Chinese authorities have paid special attention to the situation in coastal areas, which may be the first to feel the shock wave from Eastern Europe. Beijing thus ordered Guangdong to further intensify the investigations and purges focused on party cadres and intellectuals.



At present, party members in Guangzhou City are being re-registered. This is being carried out mainly in the party and government institutions at various levels and in the journalist institutions. Party members in enterprises and in rural townships are also required to re-register themselves. The re-registration is conducted by the party branches, and the upper leadership will not send work teams to supervise the process. However, all party members must pass the self-examinations with the collective endorsement before they can be re-registered. Those who fail to get the collective endorsement will be faced with a disciplinary action taken by the party branch with the approval of the upper-level party committee.

As for intellectuals, it is now also a season of "cold winter." After the June 4 Incident, although the intellectuals in Guangdong experienced a round of screening, no severe action was taken against them. However, according to sources in the public security department in Guangdong, Beijing recently issued an order to Guangdong, saying that actions can now be taken against the "targets" that were not touched after the June 4 Incident. So the provincial public security department will soon take action against active intellectuals in various universities during the democratic movement.

Reportedly, three people in Zhongshan University were included in the wanted list of the public security authorities. One of them is a young teacher; one is a graduate student who was a principal leader of the Patriotic Federation of College Students in Guangdong; and the third is a female student who was also a principal member of the student organization in the university. At present, all of these three people are absent from school, but people do not know whether they are still at large or have been arrested.

He Bochuan, an associate professor in the Philosophy Department of Zhongshan University, who became renowned for his prediction of China's latent crisis, was also harassed recently by the public security personnel. In May and June, He Bochuan did not participate in any rally or demonstration, but his book "China on a Mountain Col" was very popular with students. The book has been banned by the authorities concerned. More than 400,000 subscribers in all parts of the country have received refunds. He was recently invited by an international academic organization to a meeting in Hungary, but his application for going abroad has not been approved by the university party committee.

Another famous democracy advocate Li Zhengtian, a teacher of the province's art college, is now under surveillance and has to report to the public security bureau 2 or 3 times a week and confess his ideas. When he goes out, he is always followed by two public security men.

According to the public security authorities, this move was taken for ensuring Li's safety.

### Guangdong Opens Campaign To Purge Press Circles

HK1301044890 Hong Kong MING PAO in Chinese  
13 Jan 90 p 7

[Special dispatch: "General Purging Campaign To Be Carried Out in the Press Circles in Various Localities in Guangdong Province; Newspapers To Be Rectified, Party Members To Be Re-Registered"]

[Text] Top-level CPC policymakers have drawn negative lessons from the tremendous changes in Eastern Europe and the events in Romania and are exercising stricter control over propaganda organs across the country. At present, the press circles in Guangdong Province are faced with another general purging campaign. Working groups have already been stationed in some press organizations in Guangzhou and Shenzhen. Some press organizations have even been closed down so that they can be rectified, and their party members have been re-registered. Consequently, everyone is in a panic.

A working group of the city CPC committee has been stationed at GUANGZHOU RIBAO, an organ of the Guangzhou City CPC Committee. High-level personnel of that newspaper will soon be reorganized. It was reported that the director of the newspaper will be dismissed for not going all out in checking work carried out recently.

At present, YATAI JINGJI SHIBAO [ASIA-PACIFIC ECONOMIC TIMES], which was very active during the student upheaval last May, has been suspended from publication, and rectification is being carried out there. However, sources said that the authorities are not going to close it down for the time being.

In Shenzhen, a working group of the working committee of organs directly under the Shenzhen City CPC Committee has been stationed at the SHENZHEN TEQU BAO [SHENZHEN SPECIAL ZONE NEWSPAPER]. Editors and reporters of the newspaper who were active during the student upheaval last year are being examined one after another. Sources said that examination work is coming to an end.

In addition, SHEKOU TONGXUN BAO [SHEKOU COMMUNICATION NEWSPAPER], which was once the vanguard in press reform in Shenzhen, has been ordered to close down. SHENZHEN SHANGBAO [SHENZHEN COMMERCIAL NEWSPAPER] and SHENZHEN QINGNIAN BAO [SHENZHEN YOUTH NEWSPAPER] are being rectified and their future is yet unknown.

Informed sources disclosed that all party members of press organizations being examined and rectified have to write self-criticisms and give full details of their behavior before and after 4 June. Supervisory personnel are asked to cross-examine everyone on activities such as taking part in demonstrations, writing slogans, contributing money, selling newspapers for contribution, sending donated money to students, and signing expressions of support for the students. Even activities such as whether

or not one shouted slogans or shook hands with students while gathering news in the streets have to be confessed. Moreover, reporters are also asked to expose each others' activities.

It was learned that those in charge of the checking have to examine the written confessions of everyone. Responsible persons of the city CPC committee have to go over the written confessions of key persons, and well-written confessions will be commended and used as a good example for others of the same organization to follow.

Informed sources disclosed that most party members and cadres are disgusted with the practice of asking everyone to make self-criticism and pass a test, a practice commonly used during the Cultural Revolution, and yet they have no alternative. Many reporters who took part in the demonstrations are laden with anxieties. Their minds are filled with contradictions regarding membership re-registration, because it will be pointless even if they are allowed to do so. Since long ago, they have lost their interest in staying within a CPC organization. However, they fear that more strong measures will be taken against them if they fail to be re-registered.

It was disclosed that to guard against misguidance and influence of mass media abroad, subscriptions to Hong Kong and Macao newspapers and journals have been put under control in all press organizations of Guangdong Province since the beginning of January. HSIN PAO and KUAI PAO can no longer be subscribed to, and the number of copies of MING PAO available has also been reduced. Besides, departments concerned of the Guangdong Provincial CPC Committee are selecting candidates from press organizations in Guangzhou and Shenzhen to be sent to five major leftist press organizations in Hong Kong to strengthen their propaganda activities. It was learned that personnel to be sent to Hong Kong will include supervisors, editors, and reporters.

### **Shekou Reform Model in Guangdong Criticized**

*HK1301090690 Hong Kong MING PAO in Chinese  
13 Jan 90 p 2*

[Special dispatch: "Shekou Model Criticized, No 1 Man Yuan Geng Is Said To Step Down"]

[Text] The Shekou Industrial Zone, which has all along stood at the forefront of China's reform and opening to the outside world, is now faced with a destiny of political consolidation and retrogression in reform. It is said that Yuan Geng, chairman of the board of directors of the China Merchant's Steamship Navigation Company of the Shekou Industrial Zone, will certainly have to step down. SHEKOU TONGXUN BAO [SHEKOU COMMUNICATION NEWSPAPER], a weekly which carried liberal views in Shekou, closed down after it received a notice to that effect at the end of last November. A check-up working group jointly formed by the Ministry of Communications, Guangdong Province, and Shenzhen City has already criticized the "Shekou model."

An official of Shekou said that Yuan Geng's stepping down will indicate the central authorities' negation of the reform and opening up of the Shekou Industrial Zone in the past decade. A resident of Shekou said that Shekou will be on the decline once the No 1 man of Shekou is dismissed. Besides, this will have a serious influence on the construction of the special zones in China.

### **The Check-Up Group Made Clear Its Purpose and Main Theme of Criticizing and Attacking People from the Very Beginning**

Yuan Geng was a pioneer of the Shekou Industrial Zone. In a short span of 3 years, beginning from 1979, he led the people of Shekou in turning the place from barren beaches into a modern seaport and industrial city of considerable size. This attracted the attention of the whole country. Zhao Ziyang, who was the premier at that time, praised the experience of the "Shekou model."

At present, the working group jointly formed by the Ministry of Communications, Guangdong Province, and Shenzhen City is carrying out check-up work in Shekou and has stationed its members in three places: SHEKOU TONGXUN BAO, the Training Center, and the Development and Research Office. All these places have close ties with intellectuals in Beijing and, in particular, with the Development and Research Office, which is the brain trust of the industrial zone. It is reported that the moment members of the working group arrived, they made clear their purpose and main theme of singling out certain people with powerful backing. The 16-member working group also denied that the success of Shekou depended on the efforts and pioneering spirit of the people and attributed such a success only to the preferential policies adopted by the state. They are collecting personal materials about Yuan Geng. However, Yuan Geng has not yet been punished for the time being.

Yuan Geng has an open, bold, and resolute character. He will be removed most likely because of ideological liberalization. He is bold in speaking up and once said, "The Communist Party's need for democracy is similar to the need for air." It is reported that even after 4 June, he still did not mince his words and said: Some people said that our Shekou is a place of bourgeois liberalization, but it would be very good if there were more places like Shekou in China. He conducted future-oriented reform in Shekou, and advocated democracy and law and abolition of the system of eating from the same big pot. He conducted reform in the labor and wage system, reform in housing, and set up social providence funds. In the process of reform, he made enemies of many interest groups which he had offended. After 4 June, in an atmosphere of political and economic retrogression in China, he was destined to be criticized and attacked. Yuan Geng himself enjoys good relationships with old people at the top level of the central authorities, such as Wang Zhen and Bo Yibo, but it is doubtful whether they will protect him. A very good reason for the authorities to get rid of Yuan Geng is that he is already 71 years old, and it is time for him to retire.

SHEKOU TONGXUN BAO, which was set up 5 years ago, was punished and has stopped publication before its leader Yuan Geng is dealt with. This weekly was run by the Shekou Industrial Zone of the China Merchant's Steamship Navigation Company and was under the Propaganda Department of the CPC Committee. It was noted for its open and straightforward views.

It is reported that the weekly committed four major crimes:

1. It organized demonstrations. On 18 May, over 10,000 people took to the streets and held a demonstration. The working group charged that it was plotted by the weekly and is conducting an investigation to fix the responsibility.
2. Its reports on 19 May. In that issue, the weekly carried in all four pages reports and commentaries on the big demonstration on 18 May, on support for the students in Beijing, on demands on reform for freedom of the press, and on the promotion of democracy. The heading under the masthead was: "The hearts of the Shekou people are linked to those of the Beijing students." It also carried many photos of the demonstration.
3. Collecting donations. At that time, the weekly sent a car to collect money contributed by residents and organizations. It also sent reporters on a special trip to deliver an enormous sum of 100,000 yuan.
4. It set up news salons to hold liberal and bold discussions on current affairs and other matters with the residents.

#### **SHEKOU TONGXUN BAO Was Forced To Stop Publication**

In 1988, Li Yanjia, Qu Xiao, and other young education advocates who followed traditional Marxism-Leninism confronted the young people of Shekou on the ideology of reform and opening up, which triggered off the "Shekou incident" that caused a sensation at home and abroad. At that time, Yuan Geng resolutely stood on the side of the young people, advocated freedom of speech, and disliked empty talks and preaching. At present, Yuan Geng's weekly has been disciplined, and the position for free public opinion no longer exists. Some people in Shekou said that Yuan Geng has been in low spirits lately and simply reads item by item from a text when he speaks before the public. He is no longer speaking freely and at length. The book entitled "Shekou Incident," which was published by the ZHONGGUO XINWEN SHE, has been banned.

#### **Guangdong Mayor on Shenzhen Urban Construction** *HK1601022690 Hong Kong WEN WEI PO in Chinese* 16 Jan 90 p 2

[Report by WEN WEI PO Reporter: "Shenzhen Mayor on Shenzhen's Urban Construction"]

[Text] Shenzhen, 15 Jan—Li Hao, mayor of Shenzhen City, confirmed here today that Shenzhen is issuing

bonds to obtain 100 million yuan. Active arrangements are also being made about financing for the building of the Huangtian Airport.

Li Hao said the above to this reporter at a ceremony marking the inauguration of the Yilida Building at Nantou, Shekou. Li Hao was unwilling to elaborate on what is to be discussed at the national special zone work conference to be held in Shenzhen. He said: "Calling a meeting is always a good thing." Li Hao revealed that Kuwait has offered loans for the building of the Huangtian Airport. The Tianan Company of Hong Kong is also arranging financing for the airport. In answer to this reporter's question about the scale of development, Li Hao said that in the 1990's, Shenzhen is not a case of "substantial development" but one of "a given degree of development."

#### **Guangxi Government Chairman Wei Chunshu Replaced** *HK1401035090 Hong Kong WEN WEI PO in Chinese* 14 Jan 90 p 1

[Report: "Cheng Kejie Has Been Appointed Acting Chairman of Guangxi Regional Government; Wei Chunshu Removed 3 Years Before His Term of Office Expires"]

[Text] Nanning, 13 Jan (WEN WEI PO)—A few days ago the Guangxi regional party committee and the regional people's government separately advised the following groups of a decision adopted by the CPC Central Committee: veteran cadres at the regional and army level, all the prefectural and city party committee secretaries, prefectural administrative commissioners, and mayors in the region. According to this decision, Wei Chunshu, deputy secretary of the Guangxi Zhuang Autonomous Region CPC Committee and chairman of the regional government, is to be removed from his posts without delay, and Cheng Kejie, the present first vice chairman of the regional government, will replace Wei as acting chairman.

Cheng Kejie, of Zhuang nationality, is now 52 years old. He had worked with the Liuzhou railway bureau for many years after graduation from college. He first worked there as a technician, and then was promoted consecutively as station (section) head, director of the Nanning railway subbureau, and deputy director of the Liuzhou railway bureau. In 1987, Cheng Kejie suddenly rose to power like a new star on the Guangxi political horizon. Due to his Zhuang origin, young age, good educational background, and capability, he was selected as the successor to the chairman of the regional people's government, being exceptionally appointed (first) vice chairman of the regional government. Over the past 2 years or so since Cheng Kejie's appointment, Guangxi people have been pretty satisfied with his performance. His popularity could be seen from the results of the election held during the Seventh Guangxi Regional People's Congress in January 1988. According to the original schedule, he should officially assume office as government chairman after the Eighth Guangxi Regional People's Congress to be held in



1993. Now he took over the post 3 years ahead of schedule. Nobody could tell whether he had been surprised to learn of this development.

Wei Chunshu was reelected chairman of the regional government during the Seventh Guangxi Regional People's Congress in January 1988. His term of office should expire in 1993. But why was he removed 3 years ahead of schedule? At the moment there is much speculation over this question among cadres and the public in Guangxi.

### Southwest Region

#### Sichuan Governor on Increasing Grain Production

OW1301004190 Beijing XINHUA in English  
1509 GMT 12 Jan 90

[Text] Chengdu, December 12 (XINHUA)—People in southwest China's Sichuan Province, who in recent times have experienced ups and downs in agriculture, are trying to increase grain output by one billion kilograms this year.

The most populous province in China, Sichuan accounts for one tenth of the country's total population, but its cultivated area is only one sixteenth of the total cultivated land of China.

Zhang Haoruo, governor of the province, said that to expand grain production, the province will continue to practise a preferential policy in agriculture and apply science to farming, while encouraging agro-scientists to work in rural areas.

A survey has shown that 12 million farmers have turned out to dig irrigation canals and ditches and improve farmland since the beginning of the winter. About 173,000 hectares of lower-yield land are expected to be transformed this year.

According to the governor, Sichuan's grain output amounted to 40.8 billion kilograms last year, exceeding the total in the record year of 1984 by 40 million kilograms and ending four years of flagging production.

The governor said the good grain harvest is only one stage of agricultural recovery. The province still faces a population boom and a drop in the area of farmland, as well as a poor agricultural foundation.

History has proved that Sichuan must rely on itself and no one else to feed its huge population.

In 1976, Sichuan suffered a severe drought which caused the province to have a bad harvest. To help people over their difficulties, the central government collected 647,000 tons of grain from eight provinces for them.

The governor said: "Having more grain may set people's mind at rest. That was why Sichuan took the lead in 1978 in practising a contract production responsibility system, linking rewards with output."

Thanks to that system, in which the family is the basic unit, Sichuan's grain output in 1984 topped 40 billion kilograms for the first time in history.

Overjoyed with the bumper harvest, the governor said, the people and provincial officials ignored grain and reduced spending on farm capital construction, thus weakening the foundation of grain production.

According to the governor, the distribution to farmers of small plots of farmland has affected the socialized service, and the rise in prices of chemical fertilizer, farm plastics, farm machinery and other production means has also diminished enthusiasm for grain production.

As a result, production began to shrink in 1985.

To ensure a supply for its urban people, the provincial government in 1988 had to ask its urban residents to buy grain in designated centers with a grain purchase card.

Drawing a lesson from the grain shortage, officials and farmers in the province have since focused on farm capital construction.

The provincial government has worked out a preferential policy to support farming while sending more than 14,800 agro-scientists to rural areas to help farmers with scientific farming.

Agricultural departments have supplied farmers with pesticide, farm machines and funds, and the farmers have voluntarily turned out to work on irrigation projects, improve lower-yield farmland and increase soil fertility.

"Although Sichuan was hit by a succession of natural disasters last year affecting 200 million hectares of farmland," the governor said, "the province still reaped a bumper grain harvest."

The province plans to introduce a contract responsibility system linking grain output with the government's performance among governments at and above county level to ensure that all governments will give top priority to farming.

#### Yunnan CPC Chief Stresses Agriculture

HK1201082790 Kunming Yunnan Provincial Service  
in Mandarin 1100 GMT 11 Jan 90

[Excerpts] A provincial conference on rural work and popularization of agrotechnology opened on the morning of 10 January.

Provincial party committee Secretary Pu Chaozhu delivered an important speech at the meeting. He pointed out: The 5th Plenary Session of the 13th CPC Central Committee pointed out that it is essential to swiftly bring about a high tide throughout the party and the nation of paying attention to, supporting, and developing agriculture in a concerted effort to promote the development of agriculture and ensure a stable increase in the main agricultural products such as grains and cotton. We must

understand the importance of developing agriculture, attach importance to agriculture, and adopt effective measures for agricultural development in accordance with the spirit of the fifth plenary session and from the angle of the fundamental strategy for overall economic development. After making a comprehensive analysis of the present condition of agriculture of our province, Pu Chaozhu pointed out: The way out for Yunnan's agricultural development lies in strengthening the physical infrastructure of agriculture, such as irrigation and water conservancy, soil improvement, road building, and transport; improving production conditions; and increasing the capacity to combat natural disasters. [passage omitted]

On the condition that the grain problem is resolved, it is necessary to energetically develop high-yield cash crops, engage in diverse economic undertakings, and strive for a steady development of animal husbandry, sideline production, fishery, and agriculture, industry, and commerce in the countryside. [passage omitted]

### North Region

#### Beijing Provides More Subsidies to Citizens

HK1601042990 Hong Kong MING PAO in Chinese  
16 Jan 90 p 8

["Special Dispatch": "Beijing Municipality Spends Over 10 Million Yuan a Day on Subsidies for Non-staple Food in an Attempt To Reduce the 'Turmoil' Factor"]

[Text] News from Beijing: The Beijing Municipal People's Government is currently providing a large amount of state subsidies for nonstaple food to the Beijing citizens in an attempt to stabilize the prices of nonstaple food and daily necessities and enable the Beijing citizens to enjoy a "peaceful" as well as "joyful" Lunar New Year Festival. Obviously, the Beijing Municipal People's Government is now trying its best to pacify the Beijing citizens angered and antagonized by the "4 June Incident" in order to reduce the "turmoil" factor at a time when China's economy is being caught in an awkward predicament.

According to the officials of the departments concerned, beginning from 1 January, 1990, the state has begun providing 1-yuan daily non-staple-food subsidy to the Beijing citizens. Since Beijing has a population of over 10 million, the state has to provide over 10 million yuan of non-staple-food subsidies to the Beijing citizens each day. The officials said that the state will not stop providing the non-staple-food subsidies to the Beijing citizens until the end of the impending Lunar New Year Festival. Thus, it is generally believed that during the forthcoming Lunar New Year Festival, the market will become "brisk" and the prices will remain "stable" in Beijing.

Some Beijing citizens said that at present, commodity supply in Beijing is indeed unprecedentedly good and

sufficient. Quite a few commodities are now much cheaper than the corresponding period of last year. For instance, last year, one jin of apple cost more than 1 yuan whereas this year, one jin of apple costs only 0.6 yuan. The price of the Chinese cabbage named "patriotic," which the Beijing citizens rushed to buy some time ago, has also dropped from 0.4 yuan per jin in the past to 0.06 yuan per jin at present.

Now the Beijing Municipal People's Government is still concerned and nervous about the possible outbreak of another "turmoil" probably resulting from China's implementation of the retrenchment policy and China's current economic dilemma. In order to prevent such a possibility from becoming a reality and reduce the "turmoil" factor, apart from providing more subsidies to the citizens, the Beijing Municipal People's Government has also paid growing attention to increasing the workers' wages and employment opportunities. For instance, some workers who were laid off by their factories some time ago have now been recalled to their original factories. Although these workers still have no work to do in their original factories, the management of their factories still pay them wages and bonuses, the purpose of which is to prevent them from "making trouble" in the society.

In addition, it has also been learned that China's State Council has recently decided and issued a document in this regard to raise the wages of the employees of all the administrative organs and undertakings by one grade and generally increase the wages of the staff and workers of all the state-run enterprises across the country by one grade. The wage readjustment is retroactive to 1 October 1989. All the retired staff and workers and state functionaries will also receive in their retirement pension an increment equivalent to one-grade increment in their preretirement wages. The State Council's document has already been relayed to a number of units in Beijing.

Nevertheless, a lot of Beijing citizens still remain unhappy and sceptical about such deliberately created "prosperity." Most of them fear that after such a large-scale "blood transfusion," the state financial strength will be further weakened, which will in turn result in another round of soaring inflation and another round of depreciation of the renminbi. Moreover, recently, a rumor has also been spreading among the taxi drivers in Beijing that China will soon abolish its foreign exchange certificates. Some taxi drivers in Beijing now bluntly tell their passengers that they will not accept foreign exchange certificates.

#### Beijing Municipality Ready To Repay Debt

OW1301131190 Beijing XINHUA in English  
1215 GMT 13 Jan 90

[Text] Beijing, January 13 (XINHUA)—The Beijing municipal authorities have taken effective measures to step up the supervision of foreign debts and repayments.

Now, Beijing is ready to repay all due foreign debts, they said.

Beijing municipal export and import companies earned 1.1 billion U.S. dollars in 1989, about a 7.8 percent increase over the previous year.

And more than 200 exclusively foreign-funded and co-operative enterprises, and joint ventures in Beijing as a whole have earned enough foreign exchange to meet their own balance of payments.

Other measures taken by the municipal authorities concerned include more guidance on the optimum foreign investment in export-oriented enterprises, checks on illegal foreign exchange dealings and stricter control of official travel abroad.

Also in 1989, the foreign exchange center in Beijing played an active part in redistributing hard currency badly needed by some enterprises, to the tune of 100 million U.S. dollars.

### Northeast Region

#### Sun Weiben at Heilongjiang Trade Union Plenum

SK1601082790 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 15 Jan 90

[Text] The third plenary session of the sixth provincial trade union council concluded in Harbin on 15 January.

The session pointed out that trade union organizations should bring into full play their role as a key social mass organization; and guide all staff and workers to carry forward the spirit of being the master of the country, to work with one heart and soul to tide over difficulties, and to go all out to ensure a sustained, steady, and harmonious development of the economy.

The session urged trade union organizations at various levels across the province to extensively conduct education on the party's basic line, the current situation, and on the current tasks among staff and workers; and launch a large-scale campaign of discussing the issue on what the working class has to do when the party relies on it so as to strengthen the working class' sense of honor, responsibility, and mission. We should continuously mobilize staff and workers to join the campaign of increasing production, practicing economy, increasing revenues, and reducing expenditures, and the socialist labor emulation drive with the major contents of [words indistinct], reducing consumption, tapping potential, and increasing economic results; reduce various expenses; and strive to create another 800 million yuan of economic value. It is necessary to strengthen democratic management, democratic participation, and social supervision and to safeguard the legal rights and interests of the staff and workers.

The session urged trade union organizations at various levels to realistically be concerned with the woe and weal

of the masses, bring their advantages into play, conduct the campaigns of economically and technologically supporting the poor and of having the masses help each other, support governments and enterprises to solve the living problems related to staff and workers.

Leaders of the provincial party committee, including Sun Weiben, Zhou Wenhua, Chen Yunlin, and Qi Guiyuan, met with all comrades participating in the session. Comrade Zhou Wenhua made a speech.

#### Heilongjiang Secretary Hears Planning Report

SK1601074390 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 12 Jan 90

[Text] Leaders of the provincial party committee and government heard a report on the morning of 12 January on progress of the ongoing provincial planning, scientific and technological, and financial work conference. Sun Weiben, secretary of the provincial party committee, pointed out that we should keep in mind the international and domestic macro environment when planning economic work, pluck up our spirit, overcome difficulties, and make contributions to stabilizing and developing our province's economy.

He said: The key to stabilizing society lies in promoting the economy. The current economic difficulties are temporary ones. Instead of being intimidated by them, we should enhance our confidence to overcome them. We should achieve a success in adjusting the product mix and industrial composition, and guarantee the supplies of manpower, material, and financial resources to agriculture in order to promote a sustained, stable and coordinated development of our province's economy.

Wang Haiyan, deputy secretary of the provincial party committee, called on comrades engaged in economic work to emancipate their minds, seek truth from facts, and successfully carry out the work in various fields in line with specific local conditions.

#### Heilongjiang's Sun Weiben Gives Lecture

SK1601071290 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 10 Jan 90

[Text] Sun Weiben, secretary of the provincial party committee, on 10 January went to Dongbei Agricultural Institute to give a full and accurate report on the political and economic situations in the world, the country, and the province, about which everyone was concerned. This was the second time he gave lecture at Dongbei Agricultural Institute as a concurrent professor of the institute.

#### Heilongjiang Holds Planning, Financial Conference

SK1501093790 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 8 Jan 90

[Text] The provincial planning, scientific and technological, and financial work conference, which opened in the city of Harbin today, set forth the guiding thoughts for



this year's planning work as unswervingly implementing the guidelines of the fifth plenary session of the party Central Committee, further relying on science and technology to develop the province focusing on the endeavor of improvement, rectification and deepening of reform, mobilizing the entire party to successfully promote agriculture, conscientiously reducing demand, striving to increase the supply of essential products, continuing to stabilize market prices, achieving a success in restructuring the economy, greatly improving economic results, and working hard in unison to lay a solid foundation for a sustained, stable and coordinated economic and social development of our province.

As was learned, our province effectively promoted stable economic development last year thanks to the enforcement of the principle of the improvement, rectification and deepening of reform, and comprehensive implementation of the 383 project. Despite numerous, serious disasters, the total output of grain, soybeans and tubers reached 16.69 billion kg. The value of industrial output is expected to exceed that of the preceding year by 5.1 percent, and the index of retail price increases is expected to decline by 4 percentage points from that of the preceding year. Revenues and expenditures were by and large balanced. However, due to problems accumulated for many years and new contradictions, such contradictions and problems as imbalances between general supply and general demand, structural disproportion, and poor economic results remain rather serious in our province.

In his report to today's conference on arrangements for this year's plan, Provincial Vice Governor Tian Fengshan pointed out: We should first rely on science and technology to develop agriculture, and lay a solid foundation for agriculture to make a new step forward if we are to attain the planned targets of increasing the province's total product of society by 4.8 percent over last year, its agricultural output value by 5 percent, its industrial output value by 5 percent, and its revenue by 6 percent. We should continue to carry out the 383 project to ensure supply, make the market thrive, and stabilize prices. Focusing on improving economic results, we should maintain stable growth in industrial production. We should bring the investment in fixed assets under control, and optimize the investment pattern. We should strive to achieve a balance in the revenue and expenditure, and rationalize the structure of credit. We should actively promote foreign trade, and strive to increase foreign exchange revenues. We should facilitate the development of scientific and technological, educational and other social undertakings. We should strictly control population growth, broaden avenues for employment, and make proper arrangements for jobless people. We should strengthen the coordination and management of the materials delivered outside the province, and turn our advantages in resources into advantages in the economy. We should do a good job in comprehensive balance, strengthen macroeconomic regulation and control, and accelerate the adjustment of the province's industrial composition.

Provincial Vice Governor Chen Yunlin spoke on the province's financial work, financial situation, financial revenue and expenditure, and financial tasks for this year. Provincial Vice Governor An Zhendong spoke on arrangements for this year's industrial and communications production. Zhu Dianming, director of the provincial science and technology commission, spoke to explain the Helongjiang Provincial implementation plan for developing the province through science and technology. Responsible persons of departments concerned also spoke to relay the guidelines of the national planning and financial work conferences. Provincial Governor Shao Qihui, and Provincial Vice Governor Du Xianzhong and Dai Moan were present at the conference. The conference is scheduled to conclude on 14 January.

#### He Zhukang at Jilin Forum on Economic Reform

SK1601082590 Changchun Jilin Provincial Service  
in Mandarin 2200 GMT 14 Jan 90

[Excerpt] On 14 January, He Zhukang, secretary of the provincial party committee; Wang Zhongyu, governor of the province; and Liu Xilin, Hui Liangyu, and Wang Yunkun, vice governors of the province; invited some responsible comrades of cities, prefectures, and the autonomous prefecture who had participated in the provincial planning and financial work conference, and some responsible persons of large and medium-sized enterprises to a forum to extensively discuss the issues of conscientiously implementing the policies of economic rectification and improvement and in-depth reforms, fulfilling the tasks covered in the 1990 national economic plan, and maintaining a sustained, steady, and harmonious economic development.

The forum maintained: The year 1990 is a key year to deepen the improvement of the economic environment and the rectification of the economic order as well as to maintain the stability of the economy. Thus, persistently implementing the central authorities' policies of economic rectification and improvement and in-depth reforms is the fundamental way to ensure the sustained, steady, and harmonious development of the province's economy. The broad masses of cadres and the people across the province should [words indistinct] to implement the guidelines of the 5th plenary session of the 13th party Central Committee and the 4th plenary session of the 5th provincial party committee, rouse themselves for vigorous efforts to make the country prosperous, and work with one heart and soul to ensure the smooth realization of the province's goals and tasks.

He Zhukang, secretary of the provincial party committee, made a speech at the forum. [passage omitted]

**Jilin Procuratorate To Combat Graft***SK1201043790 Changchun Jilin Provincial Service  
in Mandarin 2200 GMT 11 Jan 90*

[Text] To strengthen the functions of the procuratorial organs for fighting against graft and bribery, the provincial people's procuratorate is going to set up a special organization for fighting against graft and bribery; and the people's procuratorates at various levels throughout the province are going to establish organizations especially in charge of this work.

Upon their establishment, the special organizations will firmly attend to the key work of dealing blows to serious economic crimes; constantly focus the struggle on the grafters and bribe-takers who bring about damages to the development of reforms by availing themselves of the loopholes found in the course of improving economic environment and rectifying economic order; and strive to ceaselessly and deeply promote the progress of the struggle against graft and bribery and to make new contributions to promoting the economic, political, and social stability.

**Quan Shuren Visits Liaoning's Fushun County***SK1601080990 Shenyang Liaoning Provincial Service  
in Mandarin 2300 GMT 14 Jan 90*

[Text] While visiting poverty-stricken villages and calling on poor households in Fushun County over the past 2 days, Quan Shuren, secretary of the provincial party committee, pointed out that the key to changing the face of poverty-stricken villages is to elect good village cadres with the ability to guide the masses to seek wealth. Quan Shuren on the morning of 13 January went to (Banchengju) Village, known for its poverty. When Quan Shuren was told at (Liu Chenglin's) home that (Liu) did not have meat and flour for Spring Festival use, he immediately told county and village cadres who came along with him to hand out relief funds to poverty-stricken households as soon as possible so as to have them be able to eat dumplings and celebrate Spring Festival as other people do.

Quan Shuren also said to (Yu Shuqi), newly elected secretary of the village party branch, that we should organize party members across the village to help, on a contracted basis, poverty-stricken households arrange livelihood, develop production, eliminate poverty, and seek wealth. (Yu Shuqi) pledged that he would conscientiously make efforts to do it.

During the visiting tour, Quan Shuren was told that (Fu Yiqin), a woman cadre, was dispatched from (Anjia) Village to (Quandou) Village and guided poverty-stricken villagers to plant vegetables under large plastic sheds and to develop the breeding industry. Through 4 years' arduous efforts, the village's per capita income increased by 4 times and reached 1,000 yuan. After hearing this, Quan Shuren said that we should select a group of good cadres with aspirations from counties and

townships, such as (Fu Yiqin), and send them to poverty-stricken villages so as to help change their poor faces through several years.

In the past 2 days, Quan Shuren visited four townships and five villages of the county. He visited some peasants and especially called on some teachers of civilian-run schools and several rural schools.

He said: To basically eliminate poverty and seek wealth, the rural areas should start with education and cultivate personnel who know how to seek wealth.

**Man Arrested in Liaoning for 'Slandering' Party***HK1401054090 Hong Kong AFP in English 0525 GMT  
14 Jan 90*

[Text] Beijing, Jan 14 (AFP)—A Chinese man who "slandered" the Communist Party leadership during the 1989 pro-democracy movement was arrested in an eastern port city after being denounced by an informer, a report seen here Sunday said.

The official LEGAL DAILY of northeastern Liaoning Province said Wang Guishen was picked up December 4 for writing "counter-revolutionary" tracts and posting them throughout downtown Dalian.

Mr. Wang, 38, a native of coastal Shandong Province, harbored resentment against the party for having been rusticated along with his father, said the paper, dated January 6.

The daily did not further explain his grievance, but observers said he was possibly sent to the countryside during the Cultural Revolution (1966-76), when millions of Chinese were "reeducated" among the masses.

Since the brutal army crackdown on the pro-democracy movement in Beijing last June, several dozen "rioters" have been executed and tens of thousands of activists arrested, according to diplomatic sources.

**Northwest Region****Gansu Secretary Addresses Journalism Forum***HK1601104490 Lanzhou Gansu Provincial Service  
in Mandarin 1030 GMT 12 Jan 90*

[Excerpts] Provincial party committee Secretary Li Ziqi emphatically pointed out that journalism should adhere to the fundamental principle of serving socialism, the people, and the principle of a proletarian party spirit.

He made the remarks at a provincial journalist work conference, which opened in Lanzhou on 12 January.

The main items on the agenda of the meeting were to implement the spirit of speeches by Comrades Jiang Zemin and Li Ruihuan on journalism, review and sum up experiences and lessons that our province has undergone in journalist work, and discuss the tasks ahead.

Provincial party committee Deputy Secretary Lu Kejian chaired today's session. [passage omitted]

Provincial party committee Secretary Li Ziqi delivered an important speech at the meeting. After fully affirming achievements made in journalist work of our province, Comrade Li Ziqi stressed that journalism must uphold party leadership, take a clear-cut attitude, and make unremitting efforts to fight bourgeois liberalization; and that journalists should establish closer ties with the masses of the people; persist in the guiding principle of mainly using positive examples to generate publicity; keep firmly to the guiding ideology of, first, maintaining stability, and, second, rousing the drive of the people; and manage to accurately and promptly publicize the party's line, principles, and policies. Comrade Li Ziqi called for performing the present journalist and propaganda work well so that the people of province will achieve unity of thinking, pluck up their courage, have greater confidence, and work hard so as to accomplish the tasks of economic improvement, rectification, and in-depth reform. This will ensure a stable political situation in our province and promote a steady, sustained, and coordinated economic development. So far as journalist work is concerned, it is essential to continue to give wide publicity to the spirit of the 4th and 5th Plenary Sessions of the 13th CPC Central Committee; give considerable publicity to economic construction, and especially to the idea that agriculture is the foundation of the national economy; launch large-scale propaganda in favor of the building of socialist spiritual civilization, focusing on the drive to learn from Lei Feng and wipe out the six vices; make much propaganda for the major political, economic, and cultural activities of our province around the central tasks of the provincial party committee and government; and give more publicity to the endeavor to exercise supervision through public opinions and build clean government.

Comrade Li Ziqi also emphasized the necessity of strengthening party leadership over journalism and of paying attention to the political orientation of journalist and propaganda work. He called for setting up a contingent of picked journalists with moral integrity and professional competence, for actively and prudently pushing the reform of journalism forward, for strengthening research work for journalist and propaganda work in the light of new conditions and problems, and for creating a new situation for journalist work of our province.

#### **Gansu Secretary Inspects Construction Company**

*HK1501151490 Lanzhou Gansu Provincial Service  
in Mandarin 1030 GMT 15 Jan 90*

[Text] On 13 January, Li Ziqi, secretary of the Gansu Provincial CPC Committee, Yan Haiwang, deputy secretary of the Gansu Provincial CPC Committee, and the responsible comrades of a number of provincial party and government departments inspected the Gansu Provincial Construction Company. They held discussions with the leaders there on the difficulties and problems

facing the provincial construction industry at present in an attempt to help Gansu's construction enterprises tide over current difficulties.

The Gansu Provincial Construction Company is the biggest construction enterprise in Gansu Province. Over the past few years, the Gansu Provincial Construction has annually completed construction of projects totaling more than one million square meters. Due to the state's drastic compression of construction scale, the Gansu Provincial Construction Company is now facing the problem of lack of projects to build.

After listening to the work reports given by the leaders of the Gansu Provincial Construction Company, the responsible persons of a number of provincial party and government departments resolved to help the Gansu Provincial Construction Company tide over its current difficulties by providing more funds to the company and helping the unemployed young workers of the company find jobs.

Comrade Yan Haiwang said that in face of the current difficulties, the leaders at all levels in the provincial construction industry must carry out education among the staff and workers with a view to unifying their understanding of the state policies of improving the economic environment, rectifying the economic order, and compressing the scale of capital construction. Leaders must also further deepen the reform, open up more production channels, and strengthen the competitiveness of the provincial construction industry. This year, the provincial construction industry must concentrate its efforts on the following four types of work: 1) To guarantee the construction of key projects; 2) to stabilize the construction contingent; 3) to continue to rectify the construction market; and 4) to guarantee the construction of key urban projects which have an important bearing on the livelihood of the people.

Comrade Li Ziqi pointed out that the Gansu Provincial Construction Company has a politically, technologically, and managerially qualified contingent which has already made important contributions to Gansu's development. In face of the current difficulties, the leaders at all levels of the company should show more concern for the livelihood of the staff and workers, help the company solve its problems, further stabilize the contingent of the staff and workers.

Comrade Li Ziqi stressed that in face of the current difficulties, the leaders at all levels of the company must make unremitting efforts to strengthen the CPC leadership over all types of work, improve the ideological and political work among the broad masses of staff and workers, brace up, strengthen confidence, and make concerted efforts to overcome the current difficulties.

In the afternoon, the provincial party and government leaders also went to the construction site of Lanzhou Donguang Carpet Factory and a construction site of the Gansu Provincial Second Construction Company to see the staff and workers working there.



**Qinghai Secretary Attends CPC Symposium***HK0901131790 Xining Qinghai Provincial Service  
in Mandarin 2300 GMT 8 Jan 90*

[Excerpts] Yesterday, the Qinghai Provincial CPC Committee held a symposium attended by a number of non-CPC personages.

At the symposium, all the participants discussed the question of how to implement to the letter the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the spirit of the 4th Enlarged Plenary Session of the 7th Qinghai Provincial CPC Committee and expressed their views on stabilizing the situation and deepening the reform.

The symposium was presided over by Tian Chengping, deputy secretary of the provincial CPC Committee. Provincial party and government leaders, including Yin Kesheng, secretary of the provincial CPC Committee; Jin Jipeng, deputy secretary of the provincial CPC Committee; Lu Baoyin, secretary of the CPC Committee of the Qinghai Provincial Military District; and some other leaders, attended the symposium. Some of the Xining-based NPC deputies, CPPCC National Committee members, members of the Standing Committee of the Qinghai Provincial People's Congress, and members of the Standing Committee of the Qinghai Provincial CPPCC Committee; leaders of various democratic parties and mass organizations; and some other nonparty personages in Qinghai also attended the symposium. [passage omitted]

The participants in the symposium unanimously agreed that in 1990 they will conscientiously study and implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee and the spirit of the 4th Enlarged Plenary Session of the 7th Qinghai Provincial CPC Committee; develop their respective advantages; actively reflect the views of the people; help the provincial people's government do its work well; and contribute to accomplishing the task of improving the economic environment, rectifying the economic order, and deepening the reform. [passage omitted]

At the symposium, some experts pointed out that Qinghai's economic development has mainly been plagued by two major problems: One is the poor agricultural foundation; the other is poor economic results. In order to tackle these two major problems, greater efforts must be made to implement to the letter all the 35 measures aimed at furthering the campaign of improving the economic environment, rectifying the economic order, and deepening the reform, which were formulated by the Qinghai Provincial CPC Committee. [passage omitted]

Yin Kesheng, secretary of the provincial CPC Committee, also spoke at the symposium. Comrade Yin Kesheng said that the provincial CPC Committee will conscientiously study and sum up the views expressed by all the participants. In the 1990's, Qinghai will face more arduous tasks. Therefore, various democratic parties and patriotic personages in Qinghai should continue to work hard with the Qinghai people in order to maintain a sustained, steady, and coordinated development of Qinghai's economy. [passage omitted]

**Shaanxi CPC Secretary Attends Singing Contest***HK1101090190 Xian Shaanxi Provincial Service  
in Mandarin 0030 GMT 10 Jan 90*

[Text] Yesterday, a singing contest attended by cadres from all the organs directly under the Shaanxi Provincial CPC Committee was held in the auditorium of the Shaanxi Provincial CPC Committee.

Zhang Boxing, secretary of the Shaanxi Provincial CPC Committee; Dong Jichang, deputy secretary of the Shaanxi Provincial CPC Committee; (Li Huanzhen), secretary of the Shaanxi Provincial Discipline Inspection Committee; as well as the leaders of the all the departments, offices, and bureaus under the Shaanxi Provincial CPC Committee and the Shaanxi Provincial People's Government took the lead in singing songs.

The theme of yesterday's singing contest was: "The Motherland Is in My Heart." The singing contest was aimed at singing the praises of the Communist Party and socialism.

A total of more than 1,100 cadres from various organs directly under the Shaanxi Provincial CPC Committee and the Shaanxi Provincial People's Government participated in yesterday's singing contest.

### **Taiwan Smugglers Sentenced in Guangzhou**

OW1501135190 Beijing XINHUA in English  
1315 GMT 15 Jan 90

[Text] Guangzhou, January 15 (XINHUA)—The Guangzhou Municipal Intermediate People's Court has sentenced Lan Chi-chun, master of the Taiwan fishing boat "Haishun 236", to two years' imprisonment for smuggling cigarettes.

Lan and four crew, under orders from the owner of the "Haishun 236", sailed the boat from Taiwan to Hong Kong to smuggle cigarettes on May 29, 1989. Because of a mechanical breakdown, it had to be repaired in Shanwei City, Guangdong Province, on June 4.

Lan piloted the boat into Hong Kong waters at midnight of June 6 and loaded cigarettes from a Hong Kong boat.

His boat was seized by the marine police at 5 am on June 7 when it entered the continental sea of China. The police found 550 chests of Kent cigarettes.

Lan pleaded guilty to the smuggling.

The Guangzhou Municipal Intermediate People's Court sentenced Lan to imprisonment for two years and confiscated the smuggled cigarettes.

### **KMT Agent's Arrest in Yunnan Reported**

OW1301094090 Beijing XINHUA Domestic Service  
in Chinese 0719 GMT 13 Jan 90

[Text] Beijing, 13 Jan (XINHUA)—As this reporter learned from the Ministry of Public Security today, the state public security organ in Yunnan Province in mid-November last year uncovered a case in which Taiwan's Kuomintang [KMT] secret service agency and the reactionary organization of the "Chinese Alliance for Democracy" collaborated with each other in carrying out sabotage against us. Liang Chaotian, a secret agent of Taiwan's Mainland Task Force and the director of the Northern Burma Branch of the "Chinese Alliance for Democracy," was arrested.

Liang Chaotian, male, was born in Longchun County, Yunnan Province. He joined a secret service agency of the Mainland Task Force of the Kuomintang in Taiwan in 1981 when he was outside the country and began to energetically engage in sabotage activities. Wang Bingzhang and Ke Lisi, chieftains of the reactionary organization of the "Chinese Alliance for Democracy," colluded with Liang Chaotian and formed the "Northern Burma Branch of the Chinese Alliance for Democracy" at the end of 1986. Since then, Liang Chaotian, in the name of the "Chinese Alliance for Democracy," repeatedly sent people to sneak into the Yunnan area to conduct sabotage activities. Last year when the turmoil and the counterrevolutionary rebellion occurred in Beijing, Liang Chaotian sent some people into the country with reactionary propaganda materials, plotting to enlarge the domestic disturbance. Considerable evidence showing secret service activities was found during the investigation of this case.

After being arrested, Liao Chaotian candidly confessed the crimes he perpetrated. The case is now under further investigation and trial.

### **Fujian's Xiamen Develops Visitors' Tourism**

OW1201120390 Beijing XINHUA in English  
1035 GMT 12 Jan 90

[Text] Xiamen, January 12 (XINHUA)—A special course on religion and culture of Taiwan and Fujian for tour guides has begun in Xiamen City in east China's Fujian Province.

Fujian expects more Taiwan tourists will be coming to the mainland for religious purposes.

Fujian and Taiwan have similar histories, geography, culture and religious beliefs. Eighty percent of Taiwan's 8,000 registered temples originated in Fujian.

The week-long course for nearly 100 trainees is sponsored by the Fujian tourism bureau, the Xiamen tourism bureau and the History Department of Xiamen University.

The province's governments at all levels are busy repairing temples and improving facilities to meet the needs of Taiwan tourists.

## Reaction to PRC Lifting of Martial Law

### Move Called 'Insignificant'

HK1101022590 Hong Kong HONGKONG STANDARD  
in English 11 Jan 90 p 7

[By Terry Cheng in Taipei]

[Text] Kuomintang officials and scholars in Taiwan dismissed the lifting of martial law as "insignificant," and called for an end to the persecution of pro-democracy activists on the mainland.

Mr Cheng Hsin-hsiung, newly appointed director-general of the Mainland Affairs Department, said after more than six months, the communists found the imposition of martial law a heavy financial burden and the army's loyalty was in question.

They have already replaced some martial law troops with the People's Armed Police he said.

Mr Wu Wen-cheng, associate professor of the Department of Political Science at Soochow University, said the move was of no "substantial significance."

Mr Wu said it was particularly aimed at helping the Bush administration now under fire for sending two senior officials to Beijing.

The decision was also made in response to economic pressures, he said. China wanted to use the lifting to secure foreign loans.

Mr Wu said the lifting might improve the Communist Party's image slightly but much depended on the treatment of pro-democracy activists.

Mr Wan Runnan, secretary-general of the Federation for a Democratic China formed by Chinese democracy activists in exile, who is in Taiwan, said the lifting of martial law was aimed at cheating the people.

"It is meaningless," he said. Beijing was still surrounded by soldiers and the martial law troops had been replaced by the armed police in the mainland capital.

"To show its sincerity and confidence, the Chinese Communist Party should release all the arrested pro-democracy activists, including those arrested in connection with June 4," he said.

### Commentary Cautions U.S.

OW1301014990 Taipei International Service in English  
0200 GMT 12 Jan 90

[Station commentary: "Peking Lifts Martial Law"]

[Text] The Chinese Communist regime in Peking has lifted martial law in Peking. But the move is meaningless against the backdrop of the ongoing hardline crackdown on dissent which uses means other than martial law.

The Chinese Communists called the martial law in Peking in May just prior to launching the bloody suppression of the then blooming pro-democracy movement. Literally, a million students and workers had filled the Tiananmen Square, the political heart of the Communist regime, in demonstrations against communist rule. After emerging on top in a protracted power struggle with more liberal-minded leaders, Communist Premier Li Peng ordered the martial law and the violent crackdown. In making the announcement of the lifting of martial law in Peking, Li had the gall to say that the crushing of the pro-democracy movement had saved Mainland China from the abyss of misery. He also praised the Army for its handling of the demonstrators and said the soldiers' historical immortal feat will never be forgotten. Historical. Immortal feat. Since when was the brutal mowing down of innocent civilian protestors considered an immortal feat? It is hardly a feat when soldiers armed with automatic weapons fire into crowds of unarmed students and workers. It is immortal only in the sense that the Chinese people will never forget the heinous crime perpetrated by the Chinese Communist regime on that early June morning in Tiananmen Square.

Western diplomats in Peking agree that the lifting of the martial law is merely a symbolic gesture by Peking aimed mostly at trying to recapture the West's financial aid. It will do nothing to soften Peking's increasingly hardline stand against dissent. Since the rapid violent fall of Romanian dictator Nicolae Ceausescu, Peking has retrenched and put walls up around its communist rule. The Chinese Communists, like Ceausescu before them, have vowed to resist the winds of change that have swept across the communist world, particularly in Eastern Europe. Obviously then, the Chinese Communist regime does not need to invoke martial law, per se, to maintain rigid control and oppression. It has plenty of other means at its disposal to carry out these measures. For instance, protests are still banned in Tiananmen Square, not by martial law decree, but by a new law passed in the wake of the Tiananmen massacre. And with or without martial law, the security forces in Communist China still have sweeping powers of arrest and detention, and will still be present on college campuses. The West should not fall for this charade. U.S. President George Bush need be specifically cautious, since Peking is trying to use the lifting of martial law to reciprocate Bush's recent attempts to forgive and forget with Peking. Bush must see through the ploy and not be bamboozled by symbolic gestures that have no positive impact on the status of the pro-democracy movement in Communist China. Tomorrow will be business as usual in the oppressive atmosphere in Peking. If the imposition of martial law didn't change things, neither will its lifting.

### Commentary Views UK Official Visits to Mainland

OW1601004690 Taipei International Service in English  
0200 GMT 15 Jan 90

[Commentary: "Hong Kong Governor's Peking Visit"]

[Text] Hong Kong Governor Sir David Wilson returned from Peking on Friday after failing to resolve a growing



split with Communist China over the political future of Hong Kong. The prosperous capitalist enclave is slated to fall under the control of the Chinese Communist regime in Peking in July 1997. That is the only thing certain about Hong Kong's future. What shape the colony will take in its post-British rule is far from certain.

That is exactly what bothers the people of Hong Kong. The worsening apprehension of not knowing has caused a severe drop in people's confidence in the future. The most severe translation of this fear is flight from Hong Kong. More and more white collar professionals are leaving the colony, normally for destinations in Canada, Australia, and the United States.

Wilson went to Peking to try to halt the deepening crisis in Hong Kong. He described the talks as helpful, but asserted that many differences with Peking are still unresolved. There were reports that Wilson had received a rebuke while in Peking for London's decision to grant British citizenship to at least 50,000 Hong Kong families. Wilson denied that, though it is public knowledge that Peking has given stiff warnings to London not to interfere in any way with Hong Kong's political structure before 1997.

In Hong Kong, people are growing more and more restless about that very political future. Many want to institutionalize democratic systems before 1997, as a sort of shield against Chinese communist adventurism. Their hope, whether realistic or not, is that Communist China will refrain from interfering itself, and that a democratic Hong Kong can count on the support of the West should Peking renege on its agreements with London.

But that hope is increasingly diminishing. In recent months, Peking has made more and more noises about its intention to exert strict control over Hong Kong. The Chinese Communists have also repeatedly voiced their concerns about rising political activism in Hong Kong. There is, however, no end to this cycle of mutual distrust. The more Peking talks about strict control, the more active Hong Kong's 6 million residents will become.

Peking fears that Hong Kong will become a base for anticommunist subversive activities. That fear is probably justified, but is it ironic that it is Peking who is bringing on the anticommunism? Moreover, Hong Kong is no more anticommunist than the rest of mainland China, which suggests that Peking is already looking to use Hong Kong as a scapegoat for mainland China's domestic problems.

Given Peking's insistence on cracking down on the prodemocracy movement in mainland China, and given the wave of terror in the wake of the Tienanmen massacre of last 4 June, it is no wonder that Wilson's trip to Peking failed to resolve problems, and failed to bolster the confidence of Hong Kong citizens. As Wilson himself put it: The political atmosphere is more difficult than the weather right now. That's because the weatherman is in Peking, and the storm in Hong Kong is his to blow.

#### Wan Runnan Leaves for Paris

OW1601004590 Taipei Domestic Service in Mandarin  
2300 GMT 14 Jan 90

[From the "National Hookup" program]

[Text] Wan Jun-nan, secretary general of the Front for Democracy in China, left for Paris by plane on the afternoon of 14 January.

Before his departure, he said that his visit has been most rewarding, for it has increased understanding between overseas democratic activists and all quarters in Taiwan. He emphasized that the 21st century will be the century of the Chinese. The people on both sides of the Taiwan Strait must [words indistinct]. He also indicated that various quarters in Taiwan—including the ruling party, opposition parties, and the people—are lacking a sense of care and concern. This will [words indistinct] on the future political and economic development of Taiwan.

#### Commentary Views PRC Attack on Democracy Front

OW1301022590 Taipei International Service in English  
0200 GMT 9 Jan 90

[Station commentary: "Peking Lashes Out at Democracy Front"]

[Text] In a press interview, the head of the Peking Public Security Bureau lashed out at supporters of the Front for Democracy in China. The official charged that the group and its supporters are trying to sabotage Communist Party control in mainland China.

The front, which is made up of Mainland Chinese dissidents exiled abroad, was formed last September in Paris. Its leadership consists of several prominent mainland Chinese who escaped from the mainland in the wake of the Tienanmen massacre last June.

The Security Bureau official said that the Peking regime has banned all activities of the front in mainland China, and has revoked the passports of several of its leaders.

He also accused the front of forming an alliance with intelligence organizations in Taiwan. He said those who engage in such activities will face criminal charges at home.

The accusation that the Front for Democracy in China is trying to sabotage the dictatorship of the Communist Party means that Peking has got the message of the front's purpose, plain and clear.

Despite the earth-shaking change that toppled one communist regime after another in Eastern Europe, Peking has hardened its stance. Chinese Communist leaders have repeatedly emphasized, especially after the fall of Nicolae Ceausescu, their friend in Romania, that they will not tolerate any challenges to communist rule. The security official warned that the Communist Party is prepared to suppress all, quote, treasonable and other counter-revolutionary activities aimed at sabotaging communist rule, unquote.

Peking's hardline stance against the Front for Democracy has been interpreted as a reaction to events in Romania. Peking had put a lot of its political eggs in Ceausescu's basket. They were crushed by Ceausescu's violent fall from grace, and now Peking finds itself recoiling from international isolation and scorn. North Korea and Cuba were the only other states to express solidarity with the Romanian dictator to the end.

Peking's charge that the worldwide Chinese dissident movement is backed by intelligence agencies in Taiwan is a throwback to the old days when such a claim could delegitimize a movement. Nowadays, however, no one takes such claims seriously. In this case, the front was formed in Paris and is most active in the United States and Europe. Taiwan's role is mainly as a financial and moral backer.

The government here has treaded carefully on the issue of support for the front, for fear of provoking Peking to make such claims. The Chinese Communists have always resorted to the, quote, ties with Taiwan, unquote, charge to justify its detention and elimination of so-called counter-revolutionary elements on the mainland.

By lashing out at the Front for Democracy, Peking is only providing the movement with more fodder. As the anniversary of the Tienanmen massacre nears, international support for the dissident movement will likely increase. More and more pressure will come to bear on the Peking regime, making its hardline stance on communist rule less and less tenable. The more resistance it puts up against the democratic tide, the harder it will be.

#### Further on French Rescindment of Frigate Sale

##### Ministry Makes Inquiry

OW1301131890 Taipei International Service in English  
0200 GMT 13 Jan 90

[Text] The Foreign Ministry has instructed ROC [Republic of China] officials in France to look into reports that Paris has reversed its decision to sell frigates to the ROC. Officials said that the French Government has not explained to the ROC Representative Office in Paris the reasons for the reported decision change.

A spokesman for the French Representative Office in Taipei said his home government was notified him about the reported sale. The Defense Ministry has neither confirmed nor denied the report, but it pointed out that the ROC will not confine itself to a single foreign country in trying to acquire military equipment.

Foreign wire services reported that the French authorities had initially decided to approve the sale of six Lafayette-class frigates to the ROC, but suddenly reversed its decision after Peking vehemently protested it.

#### No Formal Notice Received

OW1601163890 Taipei International Service in English  
0200 GMT 16 Jan 90

[From the "News and Commentary" program]

[Text] National Defense Minister Hao Po-tsun told the Legislative Yuan's Appropriation Committee on Monday that the ROC [Republic of China] has still not received any formal message from France, stating that the proposed sale of six frigates by France to the ROC is off. He said that the canceling of the sale of the frigates has only been reported in foreign wire service report. Hao furthermore said that the ROC has many options in purchasing frigates from other countries and the nation will continue to look for purchase of the ships needed from other countries on the basis of mutual benefit.

France reportedly canceled the sale of six Lafayette class frigates to the ROC last week under heavy pressure from the Chinese Communists.

#### Cambodia Issue May Be Involved

OW1501125490 Taipei Domestic Service in Mandarin  
2300 GMT 14 Jan 90

[From the National Hookup" program]

[Text] According to diplomatic sources, the decisive factor behind the unexpected turnaround in the French Government's decision against selling Lafayette-class frigates to our country is the fact that French Ambassador to Peking Malo objected to it on the grounds of the Cambodian issue.

Malo expressed the belief that the Chinese Communists will probably obstruct the peace plan for Cambodia that will be discussed soon in the UN General Assembly. However, if France terminates the plan to sell frigates to our country, the Chinese Communists will return the favor.

#### Li Huan, U.S. Congressman Bosco Discuss Ties

OW1601134290 Taipei CNA in English 1157 GMT  
16 Jan 90

[Text] Taipei, Jan 16 (CNA)—Premier Li Huan said Tuesday he was sure President Li Teng-hui would be elected to serve a new six-year term because the president had the people's warm support.

Premier Li told Douglas Bosco, a member of the United States House of Representatives, and his wife that President Li had earned a doctoral degree in the U.S. and was well acquainted with relations between the U.S. and the Republic of China [ROC].

Rep. Bosco said he admired President Li under whose leadership the ROC had made progress in political, economic and other areas.

The U.S. congressman also said various construction projects, particularly communications projects, being

undertaken by the ROC Government would be very important to the country's future development.

Bosco said he was very optimistic about the strengthening of ROC-U.S. and current bilateral friendship were more secure than ever before.

#### **Panamanian President Affirms 'China Policy'**

OW1201154990 Taipei CNA in English 1204 GMT  
12 Jan 90

[Text] Panama City, Jan. 11 (CNA)—Panamanian President Guillermo Endara affirmed Thursday Panama's relations with the Republic of China [ROC], saying that he would not change Panama's China policy.

In an interview with the CENTRAL NEWS AGENCY, President Endara said that "I would not change it (the policy on China)... There would not be another China. No. We consider the Republic of China that is the real China." [as received]

The president said that he would name a new ambassador to the ROC very soon. "We hope to name a very best Panamanian to be our ambassador and to maintain good relationship with the Chinese people," he added.

Endara thanked the ROC for the rapid recognition of his government, which, he said, constitutes a good beginning. He expected that the ROC and Panama would strengthen economic relations.

The Panamanian chief of the state said that although the ROC and Panama are far apart geographically, they are in a close union by doing business. "We are drinking the same water... We can do a lot of businesses together," he emphasized.

He expected that the ROC people and Government can help Panama in its national development. "I think that Chinese can be very important in the reconstruction of our economy," he stated.

The president said that he would like to visit the ROC, if he gets the opportunity in the future.

#### **Cuba Shows Interest in Direct Trade Talks**

OW1401152490 Taipei International Service in English  
0200 GMT 14 Jan 90

[From the "News and Commentary" program]

[Text] Economic officials have said that Cuba wants to have direct trade with ROC [Republic of China] and is optimistic about the prospect for trade relation between the two countries.

Officials said that ROC trade officials in the Dominican Republic had recently visited Cuba to attend the Seventh Havana International Trade Fair. During the unprecedented visit, the ROC officials called on a number of ranking Cuban trade and economic officials to exchange views with them on bilateral relation. The officials also

found that many made-in-Taiwan products including TV, electronic parts, and computer paraphernalia were displayed in the markets of Cuba.

After liberalizing trade with socialist countries last year, ROC regulations now state that local products can be exported directly to Cuba, but only indirect imports from Cuba are allowed.

#### **Li Huan Sees Lee Kuan Yew Off**

OW1301055290 Taipei Domestic Service in Mandarin  
2300 GMT 8 Jan 90

[Text] The 10-member group accompanying Singapore Prime Minister Lee Kuan Yew and his wife wound up its 5-day visit to the Republic of China [ROC] on the afternoon of 8 January. The group was seen off at the airport by Premier Li Huan, Senior Advisor to the Presidential Office Sun Yun-suan, and others.

Prior to his departure, Lee Kuan Yew said that his visit allowed him to become better acquainted with the ROC's achievements in agriculture and national defense. He added that these achievements had impressed him deeply.

#### **Haitian President Tours Industries in South**

OW1301042990 Taipei CNA in English 0240 GMT  
13 Jan 90

[Text] Kaohsiung, Southern Taiwan, Jan. 13 (CNA)—Haitian President Prosper Avril flew from Taipei to Kaohsiung Friday to tour various institutions in southern Taiwan.

The Haitian chief of state and his entourage were warmly greeted at the airport by Kaohsiung Mayor Su Nan-cheng and Kaohsiung City Council Speaker Chen Tien-mou.

In the company of Premier Li Huan and Foreign Minister Lien Chan, the Haitian delegation first toured the state-run China Steel Corp. and China Shipbuilding Corp. in the southern Taiwan port city.

President Avril was especially impressed with the enormous China Shipbuilding shipyard, which has just expanded its business from commercial ships to warships. It began construction on the nation's first locally built naval frigate earlier this week.

In the afternoon, they proceeded to Fengshan in nearby Kaohsiung County to visit a tropical horticulture laboratory and the military academy.

Since Haiti is a tropical island country, Avril showed keen interest in the techniques developed by the horticulture laboratory to improve the production and quality of vegetables and fruits.

President Avril, who arrived in Taipei Wednesday for an official visit, will meet with Premier Li Huan Saturday evening for an exchange of views on strengthening economic and technical cooperation between Haiti and the Republic of China.

In order to better understand the Republic of China's successful experience in promoting external trade, he will also visit the Taipei World Trade Center on Saturday.



## Hong Kong

### Further Reportage on Governor's Visit to PRC

#### Li Peng Disavows Financial Help

HK1601020190 Hong Kong SOUTH CHINA  
MORNING POST in English 16 Jan 90 p 1

[Text] The Chinese Prime Minister, Mr Li Peng, told the Governor, Sir David Wilson, that Hong Kong should not expect financial help from China in funding ambitious development plans including the replacement airport and expanded port facilities.

During talks last week, which focused on the economy, Mr Li told Sir David that he felt it inappropriate for Hong Kong to finance the mammoth projects through the Land Fund, which has been set aside for the future Special Administrative Region (SAR) government.

The multi-billion dollar development plans were outlined by Sir David during his meeting with Mr Li at Zhongnanhai last Friday.

According to senior mainland official, Mr Li Hou, who attended the talks between Mr Li Peng and Sir David: "Premier Li said we have no money.

"We've also had difficulty in financing our own development plans.

"I've no idea about the financial resources of China funded enterprises in Hong Kong. But it's impossible that funds on the mainland will be invested in Hong Kong."

Mr Li said that China agreed to anything that was conducive to the long-term prosperity and stability of the territory.

"Our attitude over the large-scale development plans is that they must tailor their plans according to their resources. Nor should it leave a big burden on the future SAR. Any matters related to these after 1997 should be discussed with China."

China was concerned that debts incurred by projects still under construction after 1997 might become a financial burden.

"We've no idea about the feasibility studies of the projects. We can't say now it's not feasible, we can only say we have to be careful and that the projects should be built on a reliable foundation," he said.

#### Governor Ends Visit

HK1301033490 Hong Kong SOUTH CHINA  
MORNING POST in English 13 Jan 90 p 1

[By Chris Yeung in Beijing and Fanny Wong]

[Text] The deadlock between Britain and China over the pace of democratic reforms for Hong Kong remained

unresolved as the Governor, Sir David Wilson, ended his three-day visit to Beijing yesterday.

No agreements on a direct election timetable for the territory emerged from Sir David's fourth and toughest mission to the Chinese capital since taking office in 1987.

But Sir David denied his trip had been a failure, and both sides said the visit had been useful in smoothing future Sino-British co-operation in the run-up to 1997.

In a 100-minute meeting between Sir David and the Chinese Premier, Mr Li Peng, yesterday morning, both sides shared the view that there should be greater mutual co-operation in economic matters.

Before leaving Beijing, Sir David rejected suggestions his visit was fruitless.

"Not at all. No, it means that not every single thing we discussed is totally tied up in a bundle of blue or red ribbons, but it also means we've made considerable progress in trying to explain sensibly and clearly what the problems are on both sides and to try to reach understanding.

"It's useful in that context," Sir David said.

Indicating that the problems of convergence between the political structures before and after 1997 remained unresolved, Sir David added there would have to be further discussions.

The Basic Law Drafting Committee's political subgroup meets in Guangzhou next week to finalise the post-1997 political framework before the drafters' plenary session in Beijing next month.

In question is the number of directly-elected seats to the future legislature. The Basic Law drafters have set a tentative ceiling of 18 for 1997, while Hong Kong Executive and Legislative Councillors insist there should be 20 in 1991.

Sir David said: "We did have a series of down-to-earth and sensible talks about these problems. I hope that my views and the views of Hong Kong people I've passed on will be very seriously considered by the Basic Law drafters."

But he stopped short of saying he was confident Hong Kong people's views, including the Omelco [Office of Members of the Executive and Legislative Councils] consensus which he described as a "major part of these opinions", would be heeded by the China-appointed drafters.

"I explained the hopes and views of Hong Kong people both in the short-term and long-term political development.

"There is no alternative but to wait for what comes out of the Basic Law. It's still being drafted. We can't tell yet," he said.

The designated Chinese leader of the Sino-British Joint Liaison Group, Ambassador Guo Fengmin, who saw Sir David off at the airport, said: "Sir David has achieved positive results in every visit. It's not an exception this time. The talks are useful. I hope that the visit will be a good start for our co-operation this year."

Sir David confirmed the Chinese had raised the issue of the Bill of Rights, Britain's offer for full British citizenship for up to 50,000 Hong Kong families, and the question of the territory being used as a subversive base.

"I explained that we have no wish, no intention, that Hong Kong should be used as a base for subversion against China. In particular, we don't want people from outside Hong Kong to come to Hong Kong to try to use it as a battlefield against China.

"At the same time, we cherish our freedoms and liberties under our laws in Hong Kong. I've explained that we apply the law equally."

The Chinese officials had not challenged that view nor suggested to him that Hong Kong should put an end to demonstrations, he said.

Sir David reassured the Chinese officials that the future human rights legislation would be "within the framework of the Sino-British Joint Declaration and the way the Basic Law is being drafted."

He said the Chinese had pledged to help stop the mass influx of Vietnamese boat people to Hong Kong via China.

Arriving at Kai Tak last night, Sir David said he thought the "weather" was improving.

Asked if he would go to Beijing again or if Chinese officials would come to Hong Kong for further talks, Sir David said: "I'm not planning to go to Beijing again myself in the near future, but I hope we can remain in contact."

### Questions Unresolved

HK1301061/90 Hong Kong HONGKONG STANDARD  
in English 13 Jan 90 p 13

[By Stanley Leung]

[Text] The Governor, Sir David Wilson, has failed to reach agreement with China not only on hard issues of Hong Kong's political reforms—but the climate as well.

Concluding his crucial three-day visit to Beijing, Sir David said only that the progress achieved was that both sides had "tried to explain sensibly and clearly what the problems are."

In layman's terms this means China and Britain have major obstacles to clear before they can resolve controversial issues including the convergence of future political developments and the British nationality package.

A serious question remaining is whether the deep conflicts exposed between China and Britain on the Hong Kong question after the June 4 crackdown can be solved.

Sir David also made it clear that more discussions were needed on how the political system will evolve. It is not known whether these discussions will take place in the next few weeks, before promulgation of the Basic Law, or whether they will be held in the next few years.

Did Sir David mean that urgent meetings could be held here within the next few weeks after Mr Zhou Nan, the director-designate of local XINHUA News Agency, is posted to Hong Kong early next month?

Sir David arrived to a significantly relaxed political atmosphere in Beijing following the lifting of seven months of martial law.

With martial law gone, the Governor and other British officials apparently had no objection to holding a meeting with Chinese Premier Li Peng.

It could not be said that Sir David returned home empty-handed. At least he was able to meet the No 1 man in the State Council.

And after this visit, Sir David must also realise the difference between Chinese and Western concepts on climate.

Unless he is absent-minded, the Governor must have remembered that the climate and the Chinese landscape were discussed as a prelude to hard rounds of discussions during the Sino-British negotiations between 1982 and 1984.

At that time, the leader of the Chinese delegation, Mr Zhou Nan, now the first Vice Foreign Minister, was keen in associating Chinese poems and weather with politics.

And at that time, Sir David was actively involved in the negotiations.

Apparently other Chinese officials, including Mr Li Hou and Premier Li Peng, have "inherited" Mr Zhou's skill of making political analogies.

On Thursday Mr Li Hou, the vice director of the State Council's Hong Kong and Macao Affairs Office, had a rare sharp exchange with Sir David over the weather. "Some people in Hong Kong (the Hong Kong Alliance in Support of Patriotic Democratic Movement in China) have been trying deliberation of the rains and the winds," Mr Li told the Governor during a photo call.

In a second round of exchanges, Mr Li observed: "A small shower, if not given enough attention, may develop into a typhoon."

Yesterday, conflicts over weather continued at a meeting between Sir David and Premier Li Peng.

Sir David said the political climate was perhaps more difficult recently than the natural climate and that was why he visited Beijing.

But Premier Li thought otherwise. "That is your feeling but I feel fine," he replied.

The rejoinder could be interpreted to mean that the British side has blown up issues such as Hong Kong's confidence problems and the need to speed up political reforms and to grant Hong Kong people British nationality.

A careful reading of the Governor's concluding remarks at Beijing airport indicated that Beijing had not agreed to make many concessions.

It was reported that the Governor would ask for one third of the legislators to be directly elected in 1991 with the percentage increased to 40 percent by 1997.

Judging by Li's strong remarks on weather, it was almost certain that Beijing would like Britain to take a tough line against activities of the Hong Kong Alliance in exchange for Beijing's concessions on other issues such as political reforms.

Unlike his last visit in late 1988, Sir David made no mention of any understanding or agreement on future political developments. Instead, he said yesterday that the post-1997 system in the Basic Law was being drafted by the Chinese authorities.

Unless some secret deals were made during the visit, or more diplomatic discussions are to be held in the next few weeks, the British side will have to wait until the Basic Law drafters have finalised the political model at a Guangzhou meeting next week. After the promulgation of the Basic Law, Britain would have to decide whether to converge the 1991 and 1995 reforms with those in the Basic Law.

Sir David is expected to report to his superior, Foreign Secretary Mr Douglas Hurd, who is due here today. He will also explain to the Legislative and Executive Councils—which strongly pressed for half of the legislators to be directly elected in 1995—the progress in selling the Omelco [Office of Members of the Executive and Legislative Councils] political model.

The visit also failed to heal the rifts over other issues including right of abode in Britain and the Bill of Rights.

What Sir David could achieve on the nationality package is obviously to explain the significance of the plan to rebuild Hong Kong's confidence. But again, China had never acknowledged that there was a real confidence crisis in Hong Kong.

In the past few months, Beijing has been criticising Britain for playing "internationalisation" and "public opinion" cards.

The only issue which sees no major conflict between the two sides are the repatriation of Vietnamese boat people.

Both shared the view that forced repatriation was the only way out for Hong Kong and Beijing has no reservations about giving support to Hong Kong in this respect.

## UK Secretary Hurd Visits Hong Kong, Beijing

### Commentary Previews Visit

HK1301041690 Hong Kong SOUTH CHINA  
MORNING POST in English 13 Jan 90 p 21

[Commentary by Ann Quon—"Can Hurd Move the Mountain?"]

[Text] When Mr Hurd's plane touches down at Kai Tak this afternoon, a small team of highly specialized Foreign Office officials will be travelling with him.

They will include Assistant Under-Secretary of State, Mr Robin McLaren, head of the Hong Kong Department, Mr Alan Paul and Mr Hurd's Private Secretary, Mr Robert Peirce—all China experts and all familiar with the Great Hong Kong Problem.

Almost before anyone has noticed, they will be whisked away to the Governor's retreat at Fanling Lodge where they will be his guests for the weekend.

However, rest will be the last thing on their minds. Tomorrow afternoon they will be joined by the Governor, Ambassador to Beijing, Sir Alan Donald, Political Adviser, Mr William Ehrman and Chief Secretary, Sir David Ford, for what is being billed as a minim-summit on Hong Kong's future.

What takes place during the session will shape London's policy toward Hong Kong during these few remaining years of British rule.

As the meeting gets underway, little time will be wasted on niceties. All ears will be on Sir David who will brief them on his predictably unproductive talks with Chinese leaders in Beijing.

While the television cameras and microphones picked up on the tension and uneasiness of the visit, he will carefully detail what was thankfully not picked up behind closed doors—that his talks only served to underline what special adviser Sir Percy Cradock's secret mission to Beijing had already revealed in December—China was in no mood to listen.

Hong Kong may never know the details of the Fanling summit, just as it may never know the details of Sir David's talks in Beijing.

Given their blunt and stormy nature, the value of the visit is now in question.



But early warning signals had indicated that China was in no mood to be reasonable or retreat from its hardline stance on Hong Kong.

Why otherwise would China have attacked Britain's nationality package for Hong Kong, 10 days after Sir Percy's visit to Beijing?

It is inconceivable that Sir Percy failed to raise the nationality issue with Chinese leaders. By attacking it, China has raised questions over whether it will honor the package after 1997.

Unwittingly, its opposition may serve to quicken the haste with which those who qualify will take up the British offer.

And so, by trying to re-establish dialogue under the present climate, Britain may have been hoist with its own petard.

Had Britain chosen instead to delay re-engagement, it could have gone ahead with its plans to try to rebuild confidence in Hong Kong in the hope that China might come round.

Instead, Britain is now trapped into dialogue with a gerontocracy that it can only hope will one day be replaced.

On more than one occasion during Sir David's visit, China took the opportunity to show its displeasure.

Host Zhou Nan rather undiplomatically cancelled a scheduled photo session with Sir David who, hours later, sat looking chastised during a photo call before dinner hosted by Hong Kong and Macao Affairs director, Ji Pengfei.

His talks with Premier Li Peng could only have been restrained. It is no secret that Li is cross with Hong Kong.

The most repeated slogan of the pro-democracy demonstrations last summer in Hong Kong was "down with Li Peng."

Even more unacceptable to him was the fact that many working for left-wing or state-run organisations in Hong Kong, had demonstrated against the central leadership.

He may also remember that Sir David took up the Hong Kong cause when he flew to London in the aftermath of the crackdown and pleaded for British assurances for Hong Kong people before the Foreign Affairs Select Committee inquiry on Hong Kong.

Details of the talks between Mr Li and the Governor may not become available for some time but the Chinese position, as Mr Li and other members of the State Council conveyed to Sir David, will be pivotal to Britain's mapping out of Hong Kong policy.

In this respect, Mr Hurd's visit to Hong Kong carries extra importance. A great many issues are to be resolved

during the next few months—finalising the Basic Law, the pace of democratic change, the Bill of Rights, nationality, to name but a few.

Like his predecessors, the routine is to be seen, not heard. Detractors will argue that there are no new arguments, that Hong Kong people's views are well known to the British and that it is time for action. For this reason, Mr Hurd can expect a difficult time.

If any conclusions are reached during Mr Hurd's visit, it will be to formulate preliminary views before they are brought back to London where Mr Hurd will have to consult with Mrs Thatcher and her cabinet on a more comprehensive plan of action for the territory.

Given Britain's track record of retreat, there is every danger that Whitehall will again give in to China, if it refuses to be reasonable and back down from its stubborn approach in handling what it considers a delinquent future charge.

Britain still has seven years to administer the territory. It can show more resolve in fulfilling its responsibilities toward Hong Kong or do nothing and watch as more people emigrate and the territory deteriorates.

Mr Hurd could do worse than reaffirm British commitment on the following points of principle:

- Stand firm on the nationality package and encourage other countries to follow its lead. Despite Chinese opposition to the nationality package, the British Government must exert influence and pressure to ensure the scheme granting 50,000 families British citizenship, is endorsed by Parliament.

Should the package flounder, through lack of conviction or resolve, the tide of emigration can only worsen.

- Fortify the Bill of Rights to ensure supremacy over other laws.

- Back the consensus of Executive and Legislative Councillors on political reform which calls for a third or 20 seats directly elected next year to the legislature, increased to 50 percent in 1995 and 100 percent by 2003.

The Executive and Legislative Councils are British-created institutions which must not be snubbed at this crucial time by Her Majesty's Government.

People remember that in 1984 MPs gave non-partisan support to the idea of an evolutionary approach towards democracy in Hong Kong.

A commitment that flagged for years before its redemption in June is still valid and cannot be shirked out of political expediency again.

- Internationalise Hong Kong. Mrs Thatcher raised the subject of Hong Kong at the October Commonwealth conference in Malaysia. The move to "internationalise" the Hong Kong question has been opposed by China.

Mr Hurd must explain what is being done by the United Kingdom to ease the disquiet in Hong Kong by broaching the issue with not only the Commonwealth but also the European Common Market and the United States.

—Step up efforts to seek international help in resolving the Vietnamese boat people problem.

This includes putting more pressure on China to discourage boat people from using overland routes through southern China and putting more pressure on the United States, Europe and the Commonwealth to reduce the territory's financial and physical burden.

Forced repatriation may not be popular, but it may jolt other countries into doing more than criticise Hong Kong.

—Seek further amendments to the Basic Law to ensure the independence of the judiciary, local autonomy in declaring a state of emergency and ensuring that existing freedoms are not eroded.

There should be ways to seek further changes to the Basic Law, despite its promulgation in March by China's parliament.

Britain must stand firm in its resolve on Hong Kong. Should Whitehall offer less, Sir David's visit may end up looking like a badly behaved schoolboy being summoned before the headmaster for a lecture.

### Editorial Considers Local Opinion

HK1401064090 *Hong Kong HONGKONG STANDARD*  
in English 13 Jan 90 p 12

[Editorial: "Hurd Must Not Squander Trip"]

[Text] British Foreign Secretary Douglas Hurd will discover first-hand during his whirlwind fact-finding visit here that there are any number of vital local concerns which deserve a full airing. And there will certainly be no shortage of topics for discussion when Mr Hurd, who arrives today, meets our Governor, Sir David Wilson.

Having just returned from the mainland, Sir David will be in a position to pass on his reading of the present political temperature in the Chinese capital. The disclosures we have heard from Sir David's various Beijing meetings seem to suggest that the Chinese are not yet in the mood to soften their hard-line stance on Hong Kong.

They even went so far as to chide the Governor yet again for the activities of certain prodemocracy groups in the territory.

Those who remember the stock market crash of October 1987 will be aware that Sir David has not always displayed an immaculate sense of timing when it comes to making overseas trips. His Beijing jaunt, however, coincided with some good news from the Middle Kingdom: the lifting of martial law in the Chinese capital.

International analysts have been quick to link this move to such Western pressures as economic sanctions. And even though the connection has been formally denied by Chinese spokesman Yuan Mu, there can be no doubt that a symbolic gesture of this kind would serve as a signal to the West that China wishes to restore some of the ties torn asunder after the bloody events of June 4. Indeed, their action won immediate concessions from the United States and Japan and muted acceptance elsewhere.

All of this, of course, doesn't help Hong Kong. The Chinese treat this place very differently from the rest of the world. And they have done nothing over the past few months that would indicate they are interested in an equal partnership for the future. All of this will, of course, be on the agenda for Sir David and Mr Hurd.

So far, Beijing has ignored the calls from Hong Kong for a faster pace of democratisation in the run-up to the handover of sovereignty. This, no doubt, was at the top of the Governor's agenda while he was in the Chinese capital. We would hazard a guess, however, that the subject was greeted by the Chinese with stony silence, if not downright abuse.

The question now is: will the Hong Kong Government, supported by London, reflect the wishes and aspirations of the people of Hong Kong? Or will they kowtow to the mood of the present leadership in Beijing?

Another topic that is bound to raise the temperature at Government House will be Vietnamese refugees. It is quite obviously the wish of the people of Hong Kong that a solution be found to the crisis. And forced repatriation, while not the most perfect and humane answer, seems like the Government's only way out of the impasse.

Mr Hurd will have to be told that the British Government must make every effort to ensure that Hanoi does not renege on the guarantees it quite obviously must have given to allow the programme to start. He must also provide some assurance that the UK will do all it can to explain the situation to its European and American allies. Hong Kong has been a whipping boy for far too long.

Vital, too, to the talks will be the right of abode package which the British Government announced only recently. Sir David will have the task of reinforcing the view that the guarantees offered to 50,000 families are of paramount importance to the confidence of this territory.

The package is not, of course, the perfect answer. But it is a beginning. Britain owes a debt to this territory. And we hope Sir David makes that very clear to the UK Foreign Secretary. The people of Hong Kong will be anxious to know the outcome of the talks. Hopefully, they will be told. After all, it is their future that is being discussed.

### Foreign Secretary Arrives

OW1301112290 Beijing XINHUA in English  
1045 GMT 13 Jan 90

[Text] Hong Kong, January 13 (XINHUA)—Douglas Hurd, British secretary of state for Foreign and Commonwealth Affairs, and Mrs Hurd arrived here by air this afternoon for a four-day visit to Hong Kong.

This is Hurd's first visit to Hong Kong since he took over as foreign secretary in October last year.

During his stay in Hong Kong, Hurd will meet with senior Hong Kong Government officials, members of the Executive and Legislative Councils.

He will also take a helicopter tour to see Hong Kong's latest developments and visit Sha Tin of New Territories and a factory in an industrial estate here, it was learned.

His program will also include visits to a Vietnamese refugee camp and a Vietnamese boat people detention center.

Upon their arrival in Hong Kong, Mr and Mrs Hurd were greeted at the airport by Hong Kong Governor Sir David Wilson and Lady Wilson.

### Editorial Praises Strong Remarks

HK1401035890 Hong Kong SOUTH CHINA  
SUNDAY MORNING POST in English 14 Jan 90 p 14

[Editorial: "Strong Remarks Welcome Start To Visit"]

[Text] The Foreign Secretary, Mr Douglas Hurd, showed as soon as he stepped off the plane at Kai Tak yesterday that he was here to do a little more than just wave the flag. In a welcome, if unexpected, flurry of straight-shooting, he reinforced the Government's stance on forced repatriation of boat people and then fired a quick salvo over China's bow about direct elections.

While Mr Hurd's visit has been long awaited by a population feeling generally neglected by both its landlord and future owner, he comes to a territory that is looking for some answers as well as an indication of Britain's commitment to its stability and prosperity in the remaining years of rule.

The visit is touted as a four-day "fact-finding" mission but a steady parade of politicians in recent years, especially since the Foreign Affairs Committee's inquiry in April, and reciprocal visits by Hong Kong legislators in London, have produced enough of the information that Mr Hurd needs to understand the anxieties and aspirations of the people.

He will know that they are becoming ever more cynical about the sincerity, as well as ability, of the United Kingdom to help.

But already, from his remarks yesterday, Mr Hurd is adopting a strong line in trying to assure Hong Kong that

his government is not abrogating its responsibility. Statements such as "we are not going to sit back, as the British Government, passively, and let the clock tick on" and that, while Britain will consider Beijing's views, it would decide itself how to proceed with voting for direct elections, are precisely what Hong Kong wants to hear.

With seven years to go before the transfer of sovereignty, Britain does not have the luxury of time to dally. Unless it can discharge its responsibilities—in politics, nationality, the Bill of Rights and the Vietnamese boat people problem—its credibility will suffer. And the Foreign Minister and his Government know that.

The contributions Mr Hurd can make over the next few days must be substantive. Because one half of the diplomatic partnership, China, is difficult to budge on Hong Kong, the other half, Britain, must take the initiative to ease local fears. This can be achieved at some domestic and foreign policy costs to the United Kingdom, its government willing. A major test for Mr Hurd will be the House of Commons debate on the nationality package offering passports to 50,000 Hong Kong families. By breaking the gathering resistance to the scheme both by the Opposition and within the Conservative Party, his Government will demonstrate its resolve and its commitment to the territory, even though the package is far less comprehensive than necessary to halt the exodus of professionals, entrepreneurs and others deemed vital to the Hong Kong economy.

As a former British envoy in China, Mr Hurd is aware that morality rarely figures in diplomacy, though it is the habit of the Prime Minister, Mrs Margaret Thatcher, to confuse the two in her public statements. Hong Kong now needs a moral British response to its desire for a free, stable and prosperous society. Few will forget Mrs Thatcher's pledge of "moral responsibility" when she initiated the negotiations over the future of the territory in September 1982 or that of the current Deputy Prime Minister, Sir Geoffrey Howe, in July last year during a whirlwind visit.

A moral approach means unequivocal British support for the political consensus reached by the Executive and Legislative Council that a third of the seats in the assembly be directly elected next year. But the most obvious moral litmus test of British sincerity is the Bill of Rights, whose diluted draft was rejected by the Executive Council on Tuesday because it failed to provide sufficient guarantees for freedoms. Mr Hurd has promised to deliver to Hong Kong a meaningful charter which must have primacy over other statutes. While China has threatened to repeal any clause giving the Bill supremacy, the enactment of such a law is a British obligation, one on which the United Kingdom legacy in Hong Kong may one day be judged.

Soon after the Beijing incident, remorseful parliamentarians broached the vague idea of "internationalising" Hong Kong to the consternation of China, which regards it as a bilateral issue (though the Joint Declaration is



registered with the United Nations) and a threat to its sovereign claim. Besides the perfunctory discussion of Hong Kong during the October Commonwealth Heads of Government meeting in Kuala Lumpur, the matter has not been raised with any conviction since by Britain. Mr Hurd would do well to expound on this concept and how it might exert its influence in the Common Market and with such favourite emigrant destinations as Canada, Australia and the United States to ensure Hong Kong's future as a trading giant.

The Governor, Sir David Wilson's trip to Beijing last week and the Chinese appointment of Vice Foreign Minister, Mr Zhou Nan, as the designated New China News Agency bureau chief in the territory suggest that both London and Beijing are eager to address the Hong Kong matter, despite their profound differences. Though the weather of Sino-British relations remains inclement, to use the metaphor so freely bandied last week in Beijing, the clouds could be clearing. And Mr Hurd's visit has started off on the right foot by giving glimpses of the steel Hong Kong would like to see more of.

#### **Commentary Urges British Resolve**

*HK1401042290 Hong Kong HONGKONG SUNDAY STANDARD in English 14 Jan p 8*

[Commentary: "Time for Britain To Make a Stand"]

[Text] Douglas Hurd cannot be hoping for much more than cynicism from the people of Hong Kong. A British Foreign Secretary's burden is to shoulder this colony's growing sense of betrayal.

Britain is blamed as behaving like a callous parent despatching a wayward adolescent into the cruel clutches of a strict aunt.

Analogies, so popular with China's leaders these days, are by definition simplistic. They also can be misleading. For instance, would that same adolescent be so unhappy to live with a kind, wealthy aunt?

Certainly, Britain's handling of Hong Kong has been shoddy in the past. But the territory is not approaching 1997 with trepidation because it yearns to remain in the comforting arms of the colonial mother. Hong Kong is alarmed because China is taking charge.

And it is a sad, but true, indictment of the irrational, fearful nature of China today that brash Hong Kong, wary of long memories and reprisals, is generally reluctant to criticise the mainland. Britain, partly by default, tends to bear a disproportionate share of the ill-feeling.

In his short spell as Foreign Secretary, Hurd already has responded positively to two significant Hong Kong issues. Despite international opposition, he has instituted a forced repatriation programme for Vietnamese boat people which will hopefully prevent a repeat of last year's huge influx. Despite opposition with his own

party, the Foreign Secretary also has introduced a right of abode package which aims to bolster confidence in Hong Kong.

Now at his so-called "mini-summit" today with the Governor, Sir David Wilson, and Britain's Ambassador to Beijing, Sir Alan Donald, he will seek to address the most complex and unenviable problem of all.

Hurd is seeking the counsel of Britain's highest-ranking and most experienced China experts in an attempt to work out how to communicate with Beijing. There are no easy answers, as the Governor found out last week.

Paying his first visit to the mainland since the tragedy at Tiananmen Square, his attempt to strike even a dialogue in the hope of resolving Hong Kong's dilemma of confidence was rudely dismissed.

Premier Li Peng delighted only in impressing his underling cadres by scoring petty points with his wordplay about the weather. Hurd can only pray that he is not subjected to the same nonsense when he eventually visits Beijing.

In the meantime, the "mini-summit" must collectively determine not to be worn down by China's intransigence.

The Foreign Secretary can most effectively demonstrate this will by publicly supporting political reform in Hong Kong, and in particular the overwhelmingly supported consensus which allows for a third of Legislative Council seats to be directly elected next year, half by 1995 and all by 2003.

Beijing has its back to the wall and this is no time for Britain to give in. Instead, the time has come for Britain to make a stand on behalf of Hong Kong.

#### **Hurd Meets Governor, Envoy**

*HK1501022990 Hong Kong SOUTH CHINA MORNING POST in English 15 Jan 90 pp 1, 7*

[By Simon Macklin]

[Text] The Beijing administration was deeply suspicious of political developments in Hong Kong and the speedier evolution of local democracy might not be attainable, the British Foreign Secretary, Mr Douglas Hurd, was told yesterday at a mini-summit with senior Hong Kong and Foreign office officials.

The Governor, Sir David Wilson, with British Ambassador to China, Sir Alan Donald, briefed Mr Hurd on latest negotiations with Chinese authorities and warned that China still believed there was a danger of subversive elements developing in Hong Kong.

British officials close to the mini-summit at The Lodge in Fanling said the issue of political development in Hong Kong had topped the agenda and Mr Hurd had been anxious to know how much democracy could be allowed in Hong Kong.

But they said Mr Hurd was still undecided on how far democratic reforms could proceed in Hong Kong or when a decision should be made.

Earlier yesterday morning, while attending a community walk, Mr Hurd admitted discussions with the Chinese authorities were proving awkward.

"Relations are not always easy between Britain and China. We have to continue a decision and dialogue with them, particularly on matters connected with the Joint Declaration," he said.

Mr Hurd reiterated that, after discussing with the Chinese side, a decision on the composition of Legco [Legislative Council] in 1991 would be made by the British and Hong Kong Governments within a matter of weeks.

"But I'm listening to the views on this, or course, while I'm here, as we prepare this decision," he added.

He stressed the need to continue the dialogue with China on this issue and the importance of keeping with views on the mainland. [sentence as published]

"Of course, it is being discussed with the Chinese but...it is a decision for 1991, which is for the British and Hong Kong governments to make. We will make that within a matter of weeks, I hope," Mr Hurd said.

"There will be a whole series of continuing contacts with China, because that's necessary."

Mr Hurd has said he regards the political issue as one of the most important issue to be discussed during his four-day visit to the territory.

It is understood Mr Hurd is checking what the British Government regards as the "first prize" of an increased number of directly-elected seats in the Legislative Council, at the same time as reaching consensus with the Beijing model for post-1997 Hong Kong.

Legislative Councillors have called for 20 seats in the chamber to be awarded through direct elections in 1991, with at least 50 percent of seats being decided through universal franchise in the following election in 1995.

But the Basic Law drafters political sub-group has tentatively said it will allow only 18 seats to be decided through direct elections in the 1997 legislature.

The Basic Law sub-group is due to meet later this week to finalise its position but British officials refuse to say if they will reach a decision on the structure of Legco before or after the law drafters have made public their decision.

At yesterday's Fanling talks, Mr Hurd was told there was still considerable distance between the wishes of the Chinese authorities and the people of Hong Kong, despite Sir David's visit to Beijing last week.

"It would be quite wrong to suggest there is agreement (between the Hong Kong and China positions) but there is certainly better understanding," one British source said.

The Beijing authorities were anxious about what they saw as the potential for political unrest which might start in Hong Kong and spread to the mainland.

"They are deeply suspicious of Hong Kong and what they regard as the danger of subversion," the source said.

But British diplomats are understood to be stressing to Chinese authorities the advantages of appeasing the democratic wishes of the people of Hong Kong.

"We are offering China the opportunity for a continuing prosperous and stable Hong Kong," one British diplomat said.

British diplomats are also anxious to persuade China of the desirability of granting right of abode in Britain to key technical and managerial staff in Hong Kong.

Those involved in recent Sino-British talks say British officials have tried to stress the importance of the nationality package in alleviating the brain-drain from Hong Kong.

It is understood Foreign Office staff had been anxious that the nationality package should be announced before Mr Hurd visited the territory, otherwise the issue would have been likely to dominate all other issues.

But the issue of the mandatory repatriation of Vietnamese boat people and political development are now thought more likely to emerge as the main topics in talks between Mr Hurd and local residents.

It is believed Mr Hurd will tell Legco members at an official dinner this evening that Britain has every intention of continuing with the non-voluntary repatriation of boat people as soon as possible.

He will explain that problems in completing arrangements have delayed a second non-voluntary repatriation exercise but there has been no change in British policy.

It is believed Mr Hurd will outline to Executive and Legislative Councillors his wish of arriving at some method of speedier return which would guarantee no further camps would have to be opened in the territory to house new arrivals.

Mr Hurd will this morning be taken on a tour of Sha Tin district before attending a lunch hosted by the Hong Kong General Chamber of Commerce and the British Chamber of Commerce, where he will make a key-note speech.

**Hurd Views Developments**

*HK1601020590 Hong Kong HONGKONG STANDARD  
in English 16 Jan 90 p 1*

[Text] British Foreign Secretary Mr Douglas Hurd said yesterday that Britain might take its own decision on pre-1997 political developments if a convergence with the Basic Law could not be achieved.

This is by far the strongest statement he has made regarding the 1991 and 1995 reforms since arriving on Sunday.

Mr Hurd, who is due to wind up his four-day visit today, said the number of directly elected seats in 1991 would be more than the 10 proposed in the British government's White Paper.

After attending a meeting of Kwun Tong district board in the afternoon, the Foreign Secretary said: "There will certainly be a substantial move towards a democratic election in 1991, a move which will be more substantial than originally planned.

"Exactly what the figure would be, that is something we have yet to decide. There won't be, I hope, a long delay in deciding that."

On the controversial question of political convergence, Mr Hurd said: "The first prize is to achieve a system of convergence, of continuity so that people who want to stand for election for the Legislative Council know that it is not just 1991, not just 1995, but that gradually there will be a continuous upward movement towards democracy.

"If that prize is not attainable then we have to make our own decisions," he said.

Mr Hurd said: "It is desirable to talk with Chinese officials not because they have a veto on the first decision, as affecting 1991...we simply have to find out what they would accept...it is desirable to have a system which is progressive."

Mr Hurd said if continuity could not be attained, Britain had to take its own responsibilities.

He had a similar message for prominent businessmen at a lunch organised by the Hong Kong General Chamber of Commerce and British Chamber of Commerce.

Mr Hurd said that in taking decisions on pre-1997 reforms, Britain must take full account of opinion in Hong Kong.

"We must do our best to ensure that the changes we make match the aspirations of this society.

"Hong Kong will achieve in 1991 a momentous change in the way it is governed by taking the first steps in directly elected democracy.

"If possible, the system we establish before 1997 should be part of a process which will continue in the years thereafter. That would be the best prize.

"We want to start a process of democracy in Hong Kong which will attract sensible people of good will to play a full role in political life.

"This is most likely to be achieved if they can see that it will continue and progress after 1997."

On the Joint Declaration, Mr Hurd said it required continuous discussion on equal terms with the Chinese government.

He said it meant conducting a tenacious and consistent dialogue with the Chinese authorities, neither hostile nor subservient, aimed at the long term and always seeking to serve the best interests of Hong Kong.

Mr Hurd also attached importance to rebuilding relations with China after recent difficulties.

The Governor's visit to Beijing last week, Mr Hurd said, was an important one in maintaining a dialogue with Chinese leaders.

On the drafting of the Basic Law, he said the outcome of the drafting process was a matter of major concern to the British government.

Although it was a Chinese law Britain's responsibilities as cosignatories of the Joint Declaration meant that Britain had the greatest possible interest in a law intended to implement the provisions of that agreement.

"In doing so, we have always respected the wishes of the Chinese government that this should be done privately and in confidence."

On the Bill of Rights, Mr Hurd: "The idea is a good one. But quite how the bill should be phrased, how it is worked out is a matter for discussion here."

On the British presence after 1997, Mr Hurd said he wanted to encourage British companies to play the fullest possible part in Hong Kong's future.

"British interests in Hong Kong will continue well beyond 1997 and we are working urgently on plans to establish a substantial representation after 1997, to match our continuing interests in the territory.

"I know that the British Council also have plans to extend their presence."

Yesterday Mr Hurd was the target for two groups of petitioners—on the Vietnamese boat people and on human rights. They threatened to break into the Legislative Council building last night after he passed them without taking their petitions.

The Hong Kong People Saving Hong Kong Campaign, led by Rev Lo Lung-kwong, was allowed to hand in a



letter to one of Mr Hurd's assistants. The group petitioning on the Vietnamese boat people issue was made to wait inside barricades and was unable to hand in its letter.

### PRC Makes 'Concessions'

HK1601015190 Hong Kong SOUTH CHINA  
MORNING POST in English 16 Jan 90 pp 1, 5

[By Chris Yeung in Beijing]

[Text] China has made concessions over the pace of democratic change in Hong Kong during negotiations with the Governor, Sir David Wilson, in Beijing.

The claim was made by top Chinese official, Mr Li Hou, who spoke for the first time about Sir David's first visit since last June's crackdown on China's pro-democracy movement.

"We've made some concessions.

"The problem is that Britain has asked for too much.

"Both sides have to get closer," said Mr Li, deputy director of the State Council's Hong Kong and Macao Affairs Office.

Sir David, who has not made public his talks, is thought to have pressed China with British plans to double the number of directly-elected seats in 1991 from 10 to 20.

However, Mr Li remained tight-lipped about the nature of concessions referred to, saying it was still subject to negotiation through diplomatic channels.

"I cannot tell you what the concessions are now, it is not possible to publicise them," said Mr Li, who was involved in a spirited verbal clash last week with Sir David about the activities of Hong Kong's democracy advocates.

Mr Li's comments come as Basic Law drafters prepare to meet in Guangzhou tomorrow for four days to finalise the political blueprint in the mini-constitution before it is ratified by China's parliament, the National People's Congress in March.

"Time is running out. The drafting of the Basic Law is nearing completion. Further discussions have to be held through diplomatic channels. There's no way if only one side makes concessions, both sides must do their best. We've made our concessions," he said.

The Beijing-appointed drafters agreed last month to limit to 18 or 30 percent, the number of directly-elected members to the post-1997 and freeze any change until at least 2007.

However, yesterday Mr Li appeared to have softened his position since last month when he said the ceiling would not be changed.

"It is difficult to say whether it will be changed" at tomorrow's meeting, he said.

It would be up to the political sub-group, of which he is a member, to discuss whether the pace of democratic change should be hastened, Mr Li said.

During his meetings in Beijing, Sir David is thought to have conveyed British plans to raise the number of directly-elected seats beginning in 1991, to keep pace with local wishes of speedier reforms.

Sir David has briefed the visiting Foreign Secretary, Mr Douglas Hurd, on his talks with Beijing officials, including the Prime Minister, Mr Li Peng, the director of the Hong Kong and Macao Affairs Office, Mr Ji Pengfei, and his vice-directors, Mr Lu Ping and Mr Li.

Mr Li said he had no idea whether there would be a visit by Mr Hurd to Beijing and said no ministerial-level visits were planned in the near future.

During Mr Li's clash with Sir David last week he warned that small rain could become typhoons if nothing was done about them.

"Relations between Hong Kong and the mainland have become strained," he said yesterday.

"There are also feelings of confrontation.

"What I meant is that both sides should work hard to improve the relationship," he said.

Reports describing the talks with Sir David as stormy, did not affect the atmosphere of the sessions, said Mr Li. Sir David had said he found the temperature comfortable.

"The atmosphere was still useful and practical. We were able to discuss problems in a peaceful and calm manner," Mr Li said.

The visit had helped restore contact after Britain had broken off diplomatic talks in the wake of the June bloodshed, he added.

"Differences have also been brought closer," he said. "We welcome the resumption of contacts which are beneficial to the smooth transition of the territory."

Although Sir David's visit showed Britain's sincerity in wishing to improve relations, the return to normalisation would occur only if both sides adhered to the terms of the Sino-British Joint Declaration.

China has accused Britain of breaching the joint pact by offering 225,000 Hong Kong residents full British passports before 1997.

Referring to Britain's nationality proposal, Mr Li said: "There are still problems such as the so-called right of abode package that has hampered the restoration of normal ties.

"We do not take responsibility for this."

He said the June 4 incident, which China had repeatedly insisted was an internal affair, had nothing to do with Britain and Hong Kong.

He warned that relevant measures would be taken and included in the Basic Law to avoid any adverse effects resulting from the British right of abode package.

It was a hint that Basic Law drafters could decide at this week's meeting that the chief executive and principal office holders should not be holders of foreign passports.

The Basic Law only stipulates that these top positions be held by Chinese nationals.

Outstanding issues such as the detailed composition of the first three legislatures after 1997, a separate voting mechanism and the pace of democratic changes would be settled this week, he said.

#### **Li Peng Meets Industrial, Commercial Group**

OW1501152390 Beijing XINHUA in English  
1504 GMT 15 Jan 90

[Text] Beijing, January 15 (XINHUA)—Chinese Premier Li Peng today said China will not change its principle of "one country, two systems" and its other important policies on Hong Kong because of some temporary happenings.

In a meeting with a delegation from Hong Kong's industrial and commercial circles led by Vincent H.S. Lo, chairman of Shui On Group Limited, the premier said these policies of far-reaching historical and practical significance were seriously and responsibly laid down in the fundamental interests of Hong Kong residents and all of the Chinese people.

He said China wishes that Hong Kong's transition will be smooth, which will benefit Hong Kong's stability and prosperity.

Extending a welcome to the delegation, Li said he was glad to have a chance to listen directly to suggestions offered by those from Hong Kong.

He told his guests that many of their suggestions on maintaining Hong Kong's stability and prosperity and

maintaining good cooperation between Hong Kong and the mainland were to the point.

"Your wishes are also the wishes of the Chinese Government," he told them.

Li told his guests that China's political and economic situation is stable. He also briefed them on China's policies for improving the economic environment and straightening out the economic order and furthering reforms and their results.

The premier said he hopes that people from Hong Kong industrial and commercial circles will contribute more to promote Hong Kong's stability and prosperity. He said they are welcome to make investments on the mainland, especially to run exported-oriented ventures.

#### **XINHUA Profiles New Hong Kong Director**

OW1501120190 Beijing XINHUA in English  
1113 GMT 15 Jan 90

[Text] Beijing, January 15 (XINHUA)—A Chinese vice-minister of foreign affairs, Zhou Nan, backed by 40 years of diplomatic experience, has been appointed director of the Hong Kong branch of the XINHUA NEWS AGENCY.

Born in Changchuan of Jilin Province in 1927, Zhou studied at Yenching University in Beijing and took part in the Student Patriotic Movement led by the Chinese Communist Party during the 1940s.

From the early 1950s, Zhou worked as a diplomat in the Chinese Foreign Ministry, in the Chinese Embassies in Pakistan and Tanzania and at the Chinese mission to the United Nations. He was appointed an assistant minister of foreign affairs in 1982 and promoted a vice-minister two years later.

Zhou was involved in all the Sino-British negotiations on the future of Hong Kong, and became chairman of the Chinese delegation in 1984. He was also chairman of the Chinese delegation to the Sino-Portuguese negotiations on Macao.

Zhou has wide interests. Reading, swimming and Peking opera are among his favorites.

**END OF**

**FICHE**

**DATE FILMED**

17 Jan. 1990



